



GRAMO

Astrid S is the most played female artist of 2020. Her songs have 1614 hours, 49 minutes and 56 seconds of play in Norwegian radio.

Photographer: Janne Rugland

Annual Report

“**Without music,
life would be a
misunderstanding.**”

Friedrich Nietzsche

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A word from the managing director

Dear reader,

Hopefully we will soon be able to live a life close to normal and to enjoy everything the cultural field has to offer. I am personally quite tired of talking and writing about Corona, but it's an inevitable part of describing the year that has passed. The cultural industry is among the hardest hit and this also applies to Gramo's revenue.

During the entire pandemic, we have had a focus on maintaining normal operations and doing everything we can to minimize the reduction of remuneration for settlement. Through flexibility from employees and tight cost control, we have succeeded. On behalf of our licensees, we are also grateful that the Ministry of Culture allocated NOK 6.2 million in compensation for reduced remuneration income in 2020. We will distribute this amount and pay it out as soon as possible. As an association, we are completely dependent on satisfied members. For us to develop and improve, we need the members' feedback. Because of this Kantar conducted a large membership survey in October 2020 on our behalf, in which over 1,500 members participated. The respondents were artists and producers and it covers those who have received remuneration from us and those who have not. A similar survey was conducted in 2017, so we do have comparable figures to measure developments. I would like to thank everyone who spent some of your time responding to this survey.

The survey shows a good score and that we are making progress on important parameters such as trust and general satisfaction. It is also positive to see a marked improvement in the members' opinion about the user-friendliness of Min Side, renewed last year.

The most gratifying finding is the members' assessment of our member service, where we achieve record-high results in perceived hospitality and competence. There is still a general desire for more information about Gramo's business, and information about how the remuneration is distributed. We take this into account and will continue to work on it. One concrete measure in this context is new websites that will be launched before the summer. If we are to succeed in being an organization that solves various challenges in a constantly changing world, we need motivated, committed and satisfied employees.

Over the past five years, Gramo has conducted an annual employee survey under the auspices of Great Place To Work. The results of the latest survey show a marked improvement in all parameters and we will work together to maintain this. When we can eventually leave the home offices, we will be able to work from our new premises in St. Olavs gate 28 and I hope this will also contribute positively to the working environment. For additional information about the past year, I refer to subsequent pages in this annual report. We have given it a new look compared to previous years, and I hope you will like it.

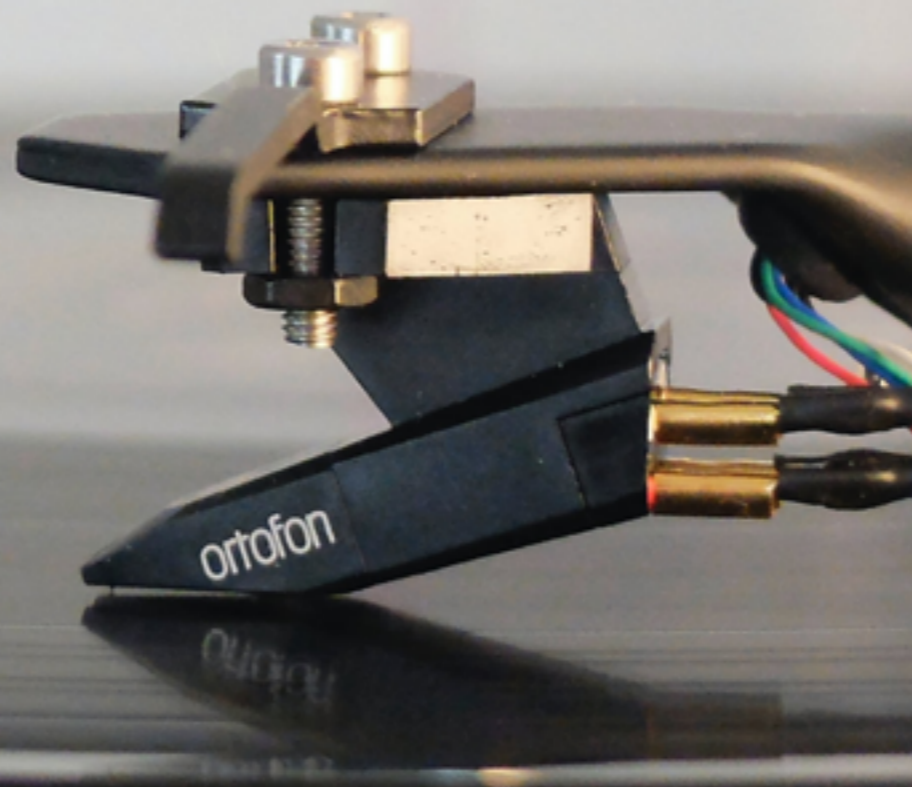


Lars Bakketun
Managing Director

How does Gramo work?

Gramo is there for artists, musicians and record companies that invest talent, time and money to get paid when their recorded music is used on the radio or in the public space.

Gramo is the link between those who have made the music and those who use the music, so that a new agreement is not needed every time someone wants to use a recording.



Radio stations, cafes, shops and others using music in public pay a fee to Gramo.



Gramo processes playing time reports from music users and connects them to its database of recordings



Gramo pays the money individually to the record company / master owner, and to the artists and musicians who have participated in the recordings used

§21

Gramo's activities are anchored in the Norwegian copyright law §21.

Gramo is there for its members

27 691

artists

+ 2 357 in 2020



10 587

record companies and producers

+1 504 in 2020



87%

of our members found our workers friendly and happy

+3% from 2017



1 546

telephone calls answered in 2020



5 511

emails answered in 2020



85,3%

are happy with their answer from our customer service team

+1,6% from 2017



781 319

total recordings



64 724

recordings matched and settles in 2020



138 971

hours of music with radio play managed in 2020

Gramo is a great place to work



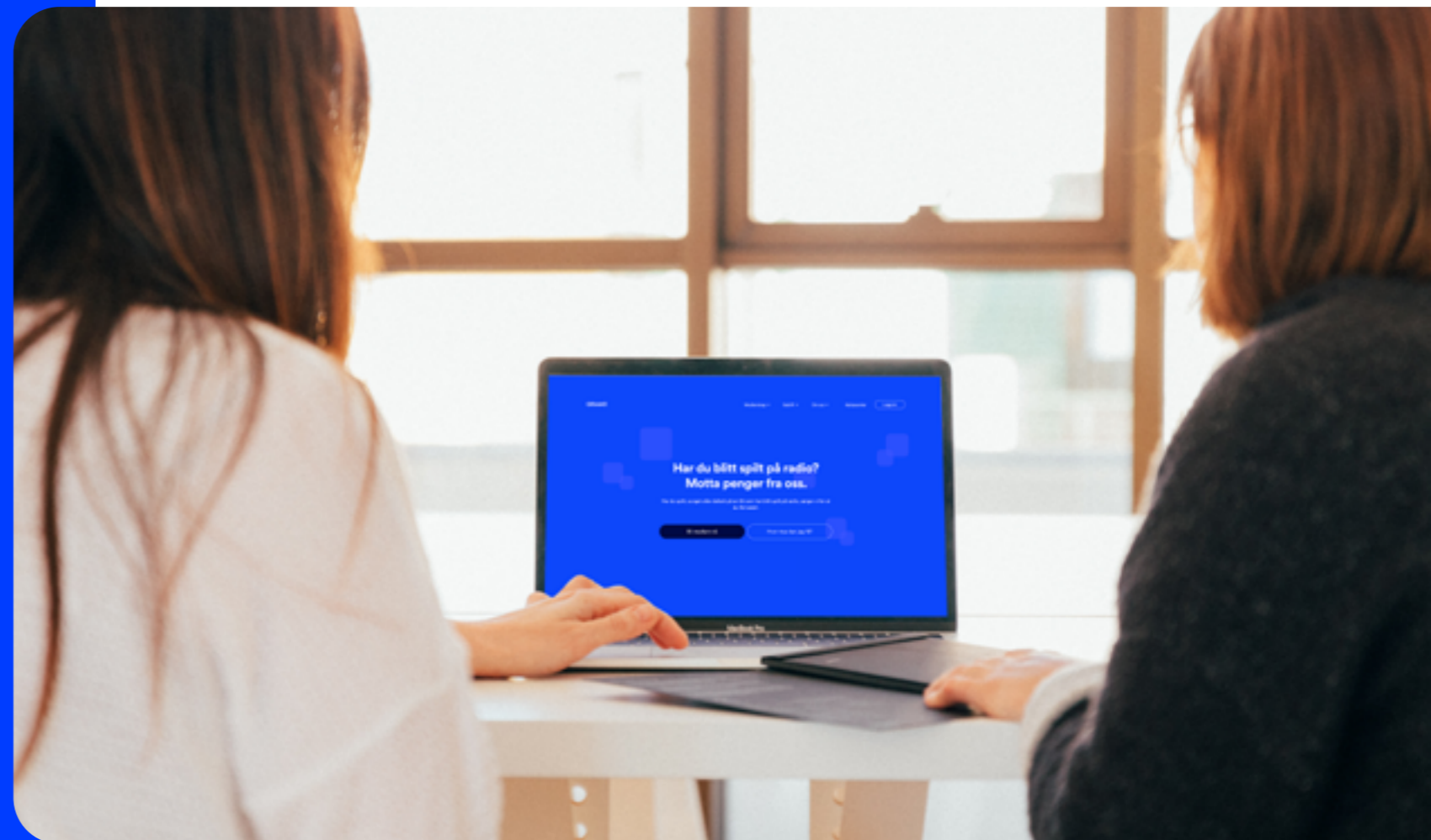
In recent years, Gramo has conducted a work environment survey under the auspices of Great Place to Work. The result of the survey was generally good. The requirements of the global standard for a good workplace were met, and Gramo was certified by Great Place to Work for 12 months.

The certification is based on a global standard for what characterizes good jobs. The standard is based on 25 years of research and analysis of over ten thousand organizations in over 50 countries.

What is measured is, among other things, the experience of clear main goals, the opportunity for professional development, precise feedback, involvement, clarification of expectations, fairness and unity.

The experiences are grouped under the dimensions of credibility, fairness, respect, pride and community.

- 2020 was a unique year for all of us. We are proud of the employees at Gramo who took on the challenges of a home office with open arms, and what we have achieved together through good systems, communication and commitment to try to help maintain activity in the music life. It is good to know that together we have created a workplace where we experience trust, justice, pride and community, says Managing Director Lars Bakketun.



Meet Paulina Vintage Boutique

There are 6521 stores / customer premises that pay a fee to Gramo for their use of music. Paulina Vintage Boutique is one of them. Juliet Helset Balgobin, who owns the clothing store, finds it natural to pay for music, in line with other payments for goods and services. This is her thoughts on what it means for her to play music in the shop:

«A shop with nice clothes from different styles and eras, should have a mix of new and older music. It gives the customers - and me, wonderful familiar vibes, new input and in general a good atmosphere. Sometimes barely audible, other times louder, preferably without being perceived as noise. It adapts to the mood, condition and signals from the customers. For me, music is an important tool. It can give the customer a separate sphere, a space to browse peacefully, not having to talk, but just feel the

atmosphere the clothes and the music give them. And occasionally it creates both laughter, dance moves and cheers.

I am lucky to have a few artists drop by, both as shoppers and in connection to stage outfits, promo photos and miscellaneous. Among other things, Aurora is a good friend of Paulina.

I also meet artists and musicians through styling and costume jobs, in everything from advertising to other film, TV and theatre assignments.

Paying royalties to these and all other artists and musicians, music owners and record companies is in my view completely natural, in line with other payments we make for goods, services, and work.”



Aurora in clothes from Paulina Vintage Boutique. Photographed by the shop owner: Juliet Helset Balgobin. Instagram @paulinavintage

Number of agreements	2020	2020	2020
Customer areas	6521	Waiting areas / on-hold music	313
Licensed trade	3636	Other businesses	239
Hair ressessers and tanning salons	2523	Shopping centres	114
Accommodation	1517	Theatres	102
Gyms	922	Cinemas	70
Municipalities / counties	440	Transport	70
		Number of total agreements	16 467

Gramo is there for radio stations and companies



33

nationwide radio channels



290

local radios



26

web radios



16 467

number of companies



981

new company agreements in 2020



19 202

number of invoices in 2020



1 670

telephone calls answered in 2020



3 864

emails answered in 2020



78%

of the companies found our co-workers professional and were happy with our customer service

Gramo's **income**

Remuneration for broadcasting

NOK 92 331 668

In the broadcasting area, Gramo has agreements with NRK, P4, Radio Norway, local radio stations and webcasters. The agreement between NRK and Gramo also includes consent to the use of recordings in podcasts and radio on-demand. The agreement has been approved by the Ministry of Culture under the general agreement license, cf. the Copyright Act §63, 2nd paragraph.

Remuneration for public performance

NOK 61 286 347

Gramo has a total of 16,000 agreements with hotels, shops, restaurants, theatres and others who use music in public spaces. In addition to contacting new establishments to enter into an agreement, Gramo carries out extensive checks for both Gramo and TONO. The control work is important both in terms of communication and the conclusion of agreements. More than half of the agreements entered each year are the result of controls.

Remuneration from abroad

NOK 4 884 491

Gramo has entered into agreements with sister organizations abroad for the exchange of

remuneration across national borders. In this way, those who have participated in or released Norwegian recordings can receive remuneration from Gramo for playing abroad. Similarly, foreign licensees receive remuneration from Gramo for gaming in Norway.

Other income

NOK 743 235

Gramo has systems that make it possible to make individual settlements and payments on behalf of others. In 2020, Gramo made settlements for FONO, Gramart and Creo. These assignments are done on market terms and give Gramo extra income that benefits the licensees.

Corona compensation

NOK 6 200 000

The corona situation has led to a reduction in remuneration of NOK 13 million in 2020, compared to the budget. The decline is mainly due to periodic closures of businesses in the area of public performance. The decline in income is far lower than first assumed. Gramo applied to the Ministry of Culture for compensation and has been awarded a one-time grant. The money will be distributed according to music use in 2020 and will be paid to performers and record companies / master owners who live and work in Norway.

New agreements - other public broadcast

In 2020, Gramo entered into an agreement with Napster in the USA for part of the service in the Sonos sound system, which is covered by the transmission right in Norway. This type of network agreement involves complicated technology and rights law, which Gramo will probably get more of in the years to come. In 2018, the Supreme Court ruled in a dispute between TONO and Riks-TV that Riks-TV had an independent clearance obligation for the use of copyrighted material. The decision also applies to other rights, including section 21 of the Copyright Act. In connection with this, Norwaco and Gramo have initiated cooperation to offer Riks-TV a collective agreement for section 21 remuneration. Norwaco is approved as a collection and distribution organization for forwarding, and Gramo for broadcasting and other linear transmission to the public.

Fee to Fond for utøvende kunstnere

On behalf of the Fond for utøvende kunstnere (The Fund for Performing Artists), Gramo collects fees for the use of unprotected recordings in broadcasting and public performance. A total of NOK 39,649,157 in fees was invoiced in 2020, which was transferred to the Fond for utøvende kunstnere.

Distribution and payment

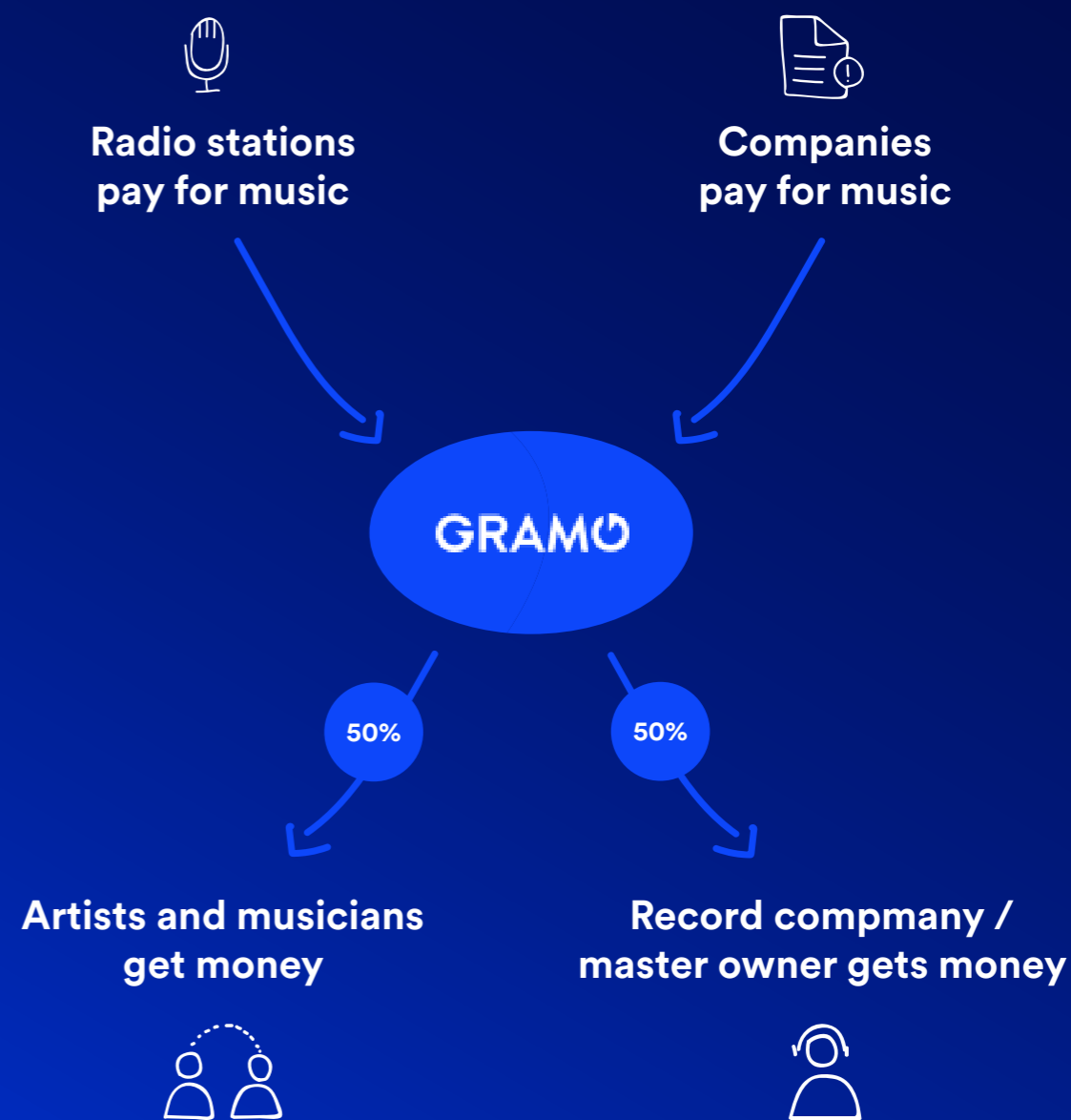
Gramo chose to speed up the main payment in 2020 due to the financially insecure situation the corona pandemic put artists and musicians in. The payment was paid out on March 23 to those who had earned remuneration. This payment was for radio play in 2019.

Post-payment for 2016 - 2019 was made in September and final settlement in December.

Performers	Sum in NOK
Paid directly to performers	27 222 439
Paid via agent	14 554 642
Paid via foreign remuneration agencies	18 964 140
Paid in total	60 741 221

Record companies / master owners	Sum in NOK
Paid to record companies /master owners	8 784 565
Paid via iFPI and FONO	50 264 352
Paid via foreign remuneration agencies	1 810 459
Paid in total	60 859 376

The remuneration is divided equally, half to the performer, the other half to the record company / master owner. Gramo works continuously with finding everyone contributing on songs played in the radio, and who is entitled to money. To find everyone on the performer side takes more time, but the money is on hold for 3 years, before being statute-barred and becomes collective funds (see page 17).



Remuneration from abroad

Artists Country	Organisation	From	To
Belgium	Playright	51 815	-36 516
Brazil	ABRAMUS	0	-11 120
Canada	ACTRA	4 168	-159 804
Canada	ARTISTI	141 374	-20
Denmark	GRAMEX	611 064	-415 830
Finland	GRAMEX	128 948	-123 245
France	Spedidam	147 262	0
France	ADAMI	598 416	-319 053
Italy	Nouvo Imaie	67 187	0
Ireland	RAAP	53 230	-840 017
Netherlands	SENA	684 060	-589 979
Spain	AIE	141 374	-124 043
Sweden	SAMI	642 409	-3 416 450
Germany	GVL	1 111 367	-435 970
UK	PPL	1 073 238	-12 492 094
Sum performers (NOK)		5 455 911	-18 964 140

Record labels / master owners Country	Organisation	From	To
Denmark	GRAMEX	290 070	-29 998
England	PPL	0	-1 305 374
Estonia	EESTI FONOGRAMMITOOTJATE ÜHING MTÜ	0	-100
Finland	GRAMEX	588 369	-51 122
Netherlands	SENA	0	-80 304
Sweden	IFPI	780 596	-343 563
Sum Record companies/master owners (NOK)		1 659 035	-1 810 460

The main reason for a lower foreign remuneration to record companies / master owners, is that the large record companies have local offices in most countries, where they receive the remuneration directly.

Collective funds

On average, approx. 90% of the remuneration is paid individually to Gramo's members. Norwegian licensees who are entitled to remuneration, but not members, are contacted and paid when they have registered with Gramo. Settled remuneration to unknown licensees is paid when Gramo has identified these within the statute of limitations of three years.

Remuneration that for various reasons cannot be paid individually after three years, as well as remuneration below the minimum limit, becomes so-called collective funds. The legislation states that collective funds shall be used for organizational support or for purposes for the benefit of Norwegian performing arts. Further regulation is stipulated in Gramo's articles of association and distribution regulations.

Everyone who has received project support has submitted an application with a budget and has been granted support for purposes in accordance with the legislation. For grants over NOK 100,000, auditor-approved accounts, annual report, and minutes of the annual meeting have been submitted. The documentation has been approved by Gramo's auditor before payment.



Grants in 2020

Performer sector – support for organisations

Gramart	6 388 098
Creo	1 675 032
Norsk Artistforbund	116 399
Norsk Lektorlag	122 494
FolkOrg	72 797
Norsk Tonekunstnersamfund	59 170
Norsk Viseforum	57 236
Sum support for organisations (NOK)	8 491 226

Performer sector – project support

Spellemann	1 200 000
Norcode	500 000
Gramos synlighetsprosjekt	600 000
Gramart	2 633 111
Creo	690 432
Norsk Artistforbund	47 978
Norsk Lektorlag	50 491
FolkOrg	30 006
Norsk Tonekunstnersamfund	24 389
Norsk Viseforum	23 592
Sum project support	3 500 000
Transferred to 2021	2 160 818
Sum performer sector (NOK)	16 993 464

Producer sector – support for organisations

IFPI	1 107 528
FONO	369 176
Sum support for organisations (NOK)	1 476 704

Producer sector – project support

Spellemann	1 000 000
NORA	70 000
Sum producer sector (NOK)	2 546 704

Gramo supports new Norwegian music

As part of making the business visible, Gramo is a sponsor of projects to promote new Norwegian music. This is partly financed through collective funds allocated from the sectors. In 2020, Gramo was a sponsor and partner with Spellemann, INTRO-Folk, Sami Music Week and Jazzintro.

“I have spent the money on a music video and equipment for my home studio.”

Isah

“It gives me time for further development as a performer and an opportunity to complete the projects I dream of.”

Sigrid Stubbsveen

“Our goal is to make Sami cultural traditions accessible to a larger audience by making accessible songs with a modern sound, and winning the award made us feel understood.”

KEiINO

“It has given us a possibility to do a lot of things that would otherwise take longer to achieve or get done, and the opportunity to think big and bigger.”

I Like To Sleep

Spellemann

Spellemann is an award ceremony for Norwegian music artists who have excelled in a positive way in the previous year. The prize was first awarded in 1973 and has been awarded every year since. The distribution is arranged by Spellemann AS, which is owned by IFPI Norway and FONO.

Gramo paid NOK 350 000 in sponsor support and awarded the winner of «This Years breakthrough and Gramo Scholarship» NOK 250 000. The winner of the price in 2020 var Isah.

«It felt crazy and weird to win it. Surrealistic, but I am grateful. I have spent the money in a music video and equipment for my home studio» says Isah.



Listen to Isah on Spotify. Just scan the code in the Spotify app.

INTRO-Folk

Gramo collaborates with Folkorg on INTRO-folk - this year's young folk musician, a launch program for young Norwegian and Sami folk musicians. In the program, the musicians can develop as artists and gain experience in communicating folk music at a high level to a wide audience.

INTRO-Folk is arranged as a competition with preliminary rounds at various festivals in Norway and a final where a winner is announced. Gramo paid NOK 50,000 as a sponsorship and gave the winner a scholarship of NOK 100,000. The winner of INTRO-folk 2020 and the Gramo scholarship was Sigrid Stubsveen.

"It's great fun and I'm incredibly grateful for this scholarship from Gramo. Such a scholarship gives

me the opportunity as a young musician to be able to continue the work I am currently doing.

I get time to develop further as a performer, and it gives me the opportunity to complete the projects that I dream of. I want to focus on the presentation of the music I work with, on developing myself as a folk musician in the time we live in, on drawing inspiration from the older music, pulling it up to our time, learning from it and seeing how this music can be relevant to us today. Thank you again, this is of great importance to me in the start of my career," says Sigrid Stubsveen.

Sami Music Week

Sami Music Week is an annual event in Alta connected to the celebration of the Sami people's day in February. Sami Music Week has been a presentation arena and an industry meeting place for music artists since 2011 and has long since established itself as an important place to present the best and latest in music from all over Sápmi.

Sámi Music Week develops i.a. a professional program with seminars, «song-lab» and Sami Music Awards. The program of the music festival presents a mix of several new and innovative music projects, record releases and quality programs for children.

Gramo supported the Sami Music Award with NOK 30,000, of which NOK 15,000 in prizes to the winner in the class Music Producer of the Year; KEiINO. This is what KEiINO says about the Sami Music Award and Gramo:

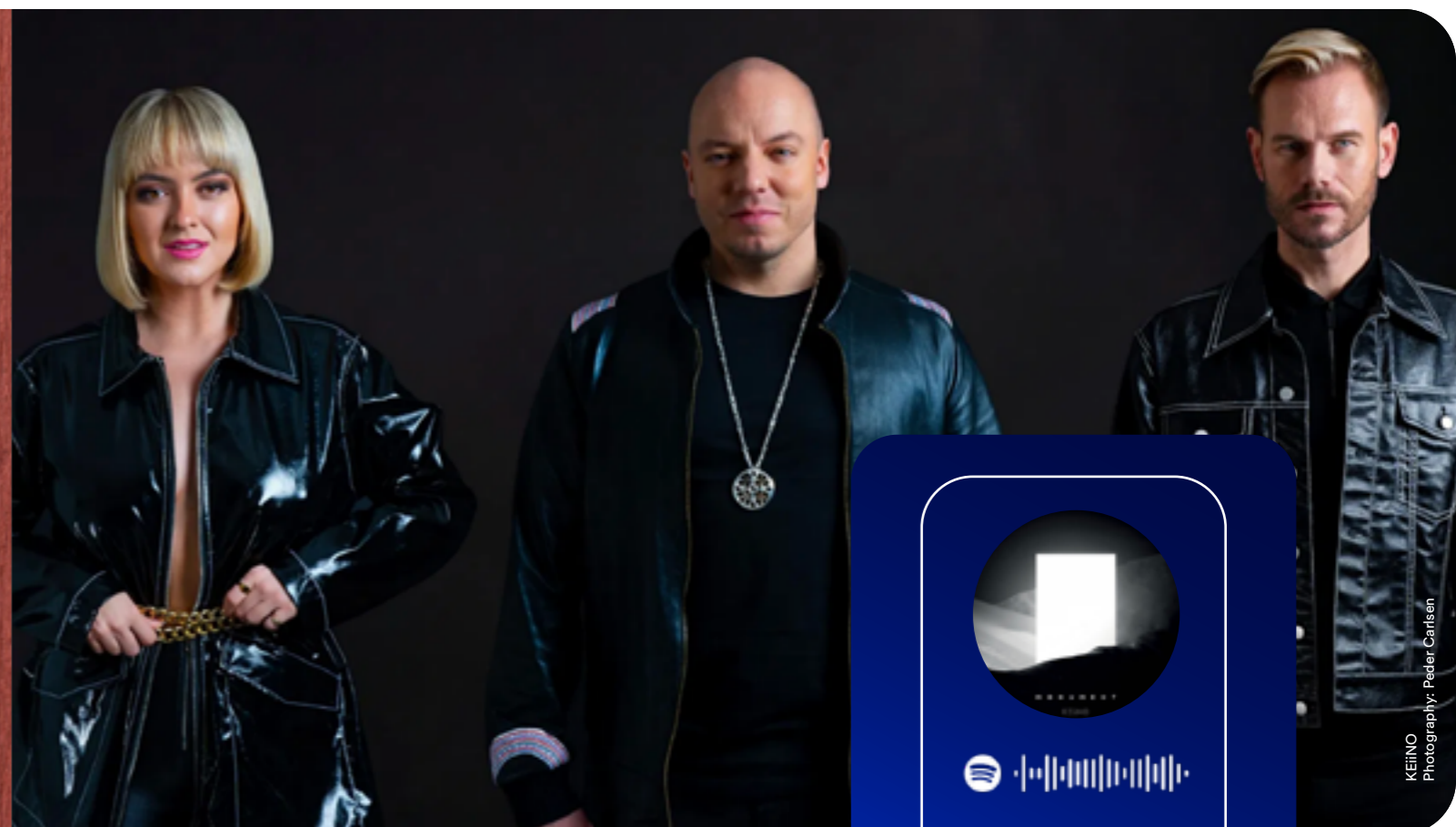
"Winning 'Producer of the Year' during the Sami Music Awards 2020 was a great moment. We had spent, and still spend, a lot of time refining our sound to reflect the diverse group we are.

Our goal is to make Sami cultural traditions accessible to a larger audience by making accessible songs in a modern sound, and winning the award made us feel understood. The prize money from Gramo also came in very handy when we were to continue the work of producing new songs and has been an important contribution in the further development of KEiINO.

We are grateful that the work we put into our music pays off, and that is thanks to Gramo, among others, who makes sure that we get paid when our music is played!"



Listen to Sigrid Stubsveen on Spotify. Just scan the code in the Spotify app.



Listen to KEiINO on Spotify. Just scan the code in the Spotify app.

Jazzintro

Gramo collaborates with the Norwegian Jazz Forum on Jazzintro, a launch program for young Norwegian jazz musicians who have a clear potential to further develop their musical skills and ideas. Based on the submitted applications and demo material, a jury of professional jazz musicians selects up to eight bands to participate in the launch program. Part finals are held at the country's largest jazz festivals and the finals during Moldejazz. This year, the final has been postponed several times due to the corona pandemic. The following bands will participate in the final which will take place during 2021: Kongle Trio, Damata, Hein Westgaard trio and Front!Front.

Gramo pays NOK 50,000 in sponsorship support and gives the winner a scholarship of NOK 150,000. I Like To Sleep, winner of Jazzintro in 2018, says: «We are very happy with the scholarship we received from Gramo. It was a huge vote of confidence, recognition of our work, and very inspiring and motivating to show such a belief in what we do with I Like to Sleep. In addition, it has been immensely helpful throughout the further development phase in the years since Jazzintro 2018. We have been able to do a lot of things that would otherwise take a little longer to achieve or get done, and this has given us the opportunity to think big and bigger.

Specifically, the scholarship has been used to develop a visual profile with designer Tore Østbø, as well as develop our music. The scholarship has funded everything from design and visual expression in merch, backdrop and other effects. In addition, we got to work for 8 days with Jørgen Træen in Duper Studio, resulting in the release of our second studio album "Daymare", released on Rune Grammofon - our "dream record company". We have also used parts of the scholarship to collaborate with other artists, such as the art-animation filmmaker Animathor (Thor Sivertsen), who made an 80-minute version of one of his award-winning films for which we played a concert in November 2020.

This concert has been documented and will probably be released as a live album and concert film in the spring of 2022. In this way, the scholarship has also given us the opportunity to make new and lasting acquaintances and collaborations. To have some funds available on the band account has also given more money to the band itself, meaning that we have a buffer on the account that can be used for every major project – such as financing recordings and releases to a greater extent on our own, if we were not to receive support that fully finances the projects. This gives us a greater potential individual effort in all our projects, meaning that we can still think big, even though we are still relatively young.”

International cooperation

Gramo is a member of the following international forums:

SCAPR

The Societies Council for the Administration of Performers Rights

The association's task is to work for the coordination of remuneration payments across national borders, and to safeguard performers' rights.

AEPO

Association of European Performers

The organization works to strengthen performers rights in relation to the EU / EEA and WIPO (UN Copyright Organization). Gramo's performer sector participates in AEPO.

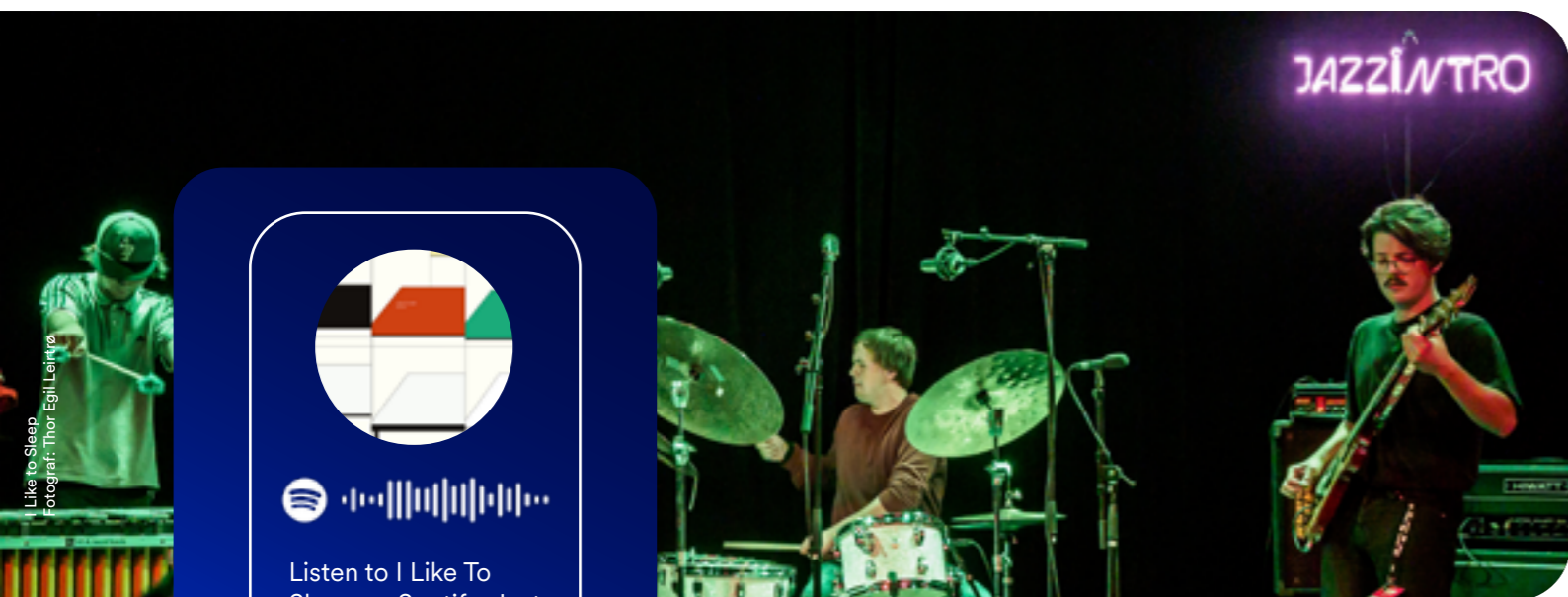
PRC

Performance Right Committee

The Committee safeguards manufacturers' rights to the secondary use of phonograms.

Norcode

Norcode was founded by BONO, Kopinor, Norwaco, TONO and Gramo in 2007. Norcode's purpose was to build and strengthen associations and management organizations for creators, performers and producers in developing countries. In recent years, Norcode has only worked in the music field, when BONO, Kopinor and Norwaco opted out. Following a resolution at the general meeting in 2020, Gramo resigned from Norcode with effect from 1.1.2021.



Listen to I Like To Sleep on Spotify. Just scan the code in the Spotify app.



Did you know that the highest Gramo payment to an artist was NOK 548,240 in 2020?

New laws, EU-directives and verdicts

CRM Act - Act on Collective Management of Copyright

CRM Act - Act on Collective Management of Copyright

At the time of writing, the Norwegian parliament is considering the law on collective management of copyright, etc. (Proposition 53L on the so-called CMR Act) which implements EU Directive 2014/26 / EU. The purpose of the law is to ensure that collective management of rights is handled in a responsible, efficient and open manner to both licensees and users. Gramo meets most of the requirements of the upcoming CRM law, but must make some adjustments when the law is enforced. It is expected that the law will be implemented during the spring of 2021.

Implementation of the digital market directive etc. in Norwegian law. (DSM)

European Parliament and Council Directive 2019/790 on copyright and related rights in the digital single market (Digital Market Directive; DSM Directive) was adopted by the EU on 17 April 2019. The DSM Directive aims to further harmonize legislation on copyright and related rights in the internal market, as regards to digital and cross-border use of protected content. The DSM Directive is best known for Article 17 which will make sharing services such as YouTube, Facebook and others more responsible. Gramo believes that there may be a need for collective authorization where appropriate, and when burdensome and complex individual authorization will lead to an exemption from liability.

EU verdict in case C-265/19 on 8.9.2020 RAAP vs. PPI in Ireland

The verdict was passed in a case between the management organization on the outside of Ireland; RAAP and the management organization on the producer side; PPI, which has overseen joint collection, and has not given the performers remuneration for participation on American recordings. In this verdict, the European Court of Justice has set aside the Rome Convention, and referred to the WPPT (WIPO Performances and Phonogram Treaty) and the EU Leasing Directive (2006/115 / EC) Article 8.2. which entitles all producers and performers to remuneration. This is regardless of whether the licensees are domiciled in EU / EEA countries or not. The American remuneration organization SoundExchange has approached Gramo and claimed remuneration for American performers. Gramo has asked the Ministry of Culture for clarification.

Verdict by the European Court of Justice in case C-147/19 ("Atresmedia"), 18 November 2020

The decision means that a released audio recording (phonogram) is no longer to be regarded as an audio recording, cf. the Rental Directive Article 8.2 - when it has been copied (incorporated, synced, compiled, etc.) into an audio film (AV works). The payment for further use is then linked to the agreement made for the copying. This means that the audio recording then ceases to exist as a right object for broadcasting, forwarding, etc. In Norway, however, there will be cases where the audio recording still exists as a subject of rights after the copying. This is regulated by the Copyright Act § 21 fifth paragraph. This has to do with the fact that the rental directive is a so-called minimum directive - which means that member states can provide more rights protection than the minimum requirements.



Gramo offers its expertise and systems to the industry

For over 30 years, Gramo has collected, distributed and paid remuneration individually to musicians, artists, conductors and record companies when their music has been played on the radio or in public. Gramo now offers its expertise and systems for other purposes.

Gramo's recording base now contains 800,000 recordings. The administration attaches ownership to these recordings in the form of musicians who participate in the recordings and the record company or the person who releases it. Changes in ownership of the recordings must also be kept under control. In total, Gramo has 40,000 members and 160,000 licensees registered in its systems. Every year, Gramo processes over 140,000 hours of radio- played music.

Echo gives back

Everything happens in the computer system Echo developed for Gramo by the IT company Skalar. In the Min Side self-service solution, members can register and update their personal and company information and their discography. -After settling remuneration individually since 1990, we have clearly gained broad experience and expertise, says general manager Lars Bakketun. - As technology advances, we can now optimize our work and become even more efficient. This means that we also can offer our services to others.

Already making settlements for interest organizations

The artist organizations Gramart and Creo - the association for art and culture, already uses Gramo's services to settle and pay remuneration for private copying and other remuneration from Norwaco. Gramo also does copy settlement on behalf of FONO.

Collaboration with Norsk Filmforbund and NRK

Norsk Filmforbund (The Norwegian Film Association) and Gramo agree on a preliminary project to investigate whether Echo can do settlements for the film association's members.

- Norsk Filmforbund is impressed with the system that Gramo has developed with Skalar and we feel safe to collaborate with actors with this much experience in remuneration work. Echo is a Rolls Royce we would never have been able to afford to run on our own. We greatly appreciate that Gramo wants to share its experiences for the benefit of licensees in other parts of the cultural field, says Elisabeth Sjaastad, union leader in Norsk Filmforbund.

NRK has asked Gramo for access to certain parts of Echo for inquiries connected to copying music in TV broadcasts and clearing the use with rights holders. Gramo is positive and in a current dialogue with NRK regarding the matter.

We welcome more

- Gramo is happy that our systems can help meet the needs of others. We are happy to invite more industry actors to collaborate. Echo is a fine tool for us, but the development was expensive. By selling services to others, it also gives something back to our own licensees, says Lars Bakketun.



Min side

In 2020, Gramo made major improvements in Min side, the self-service solution for members. The goal was to significantly improve the user experience. Members were invited to provide feedback and input. Several members have also been involved in testing Min side on the way.

This meant that in August 2020 we were able to launch a major upgrade with a completely new design that has made it easier to:

- log in
- get an overview, find, and navigate
- use Min side on mobile telephones
- get in touch with us and give us feedback

We greatly appreciate all the questions, criticism and praise we can get. It helps us make Gramo better.

78,8% *

says Min side is quite easy or very easy to use

* = measured on Min side from November 2020 to April 2021. 455 members have answered this question

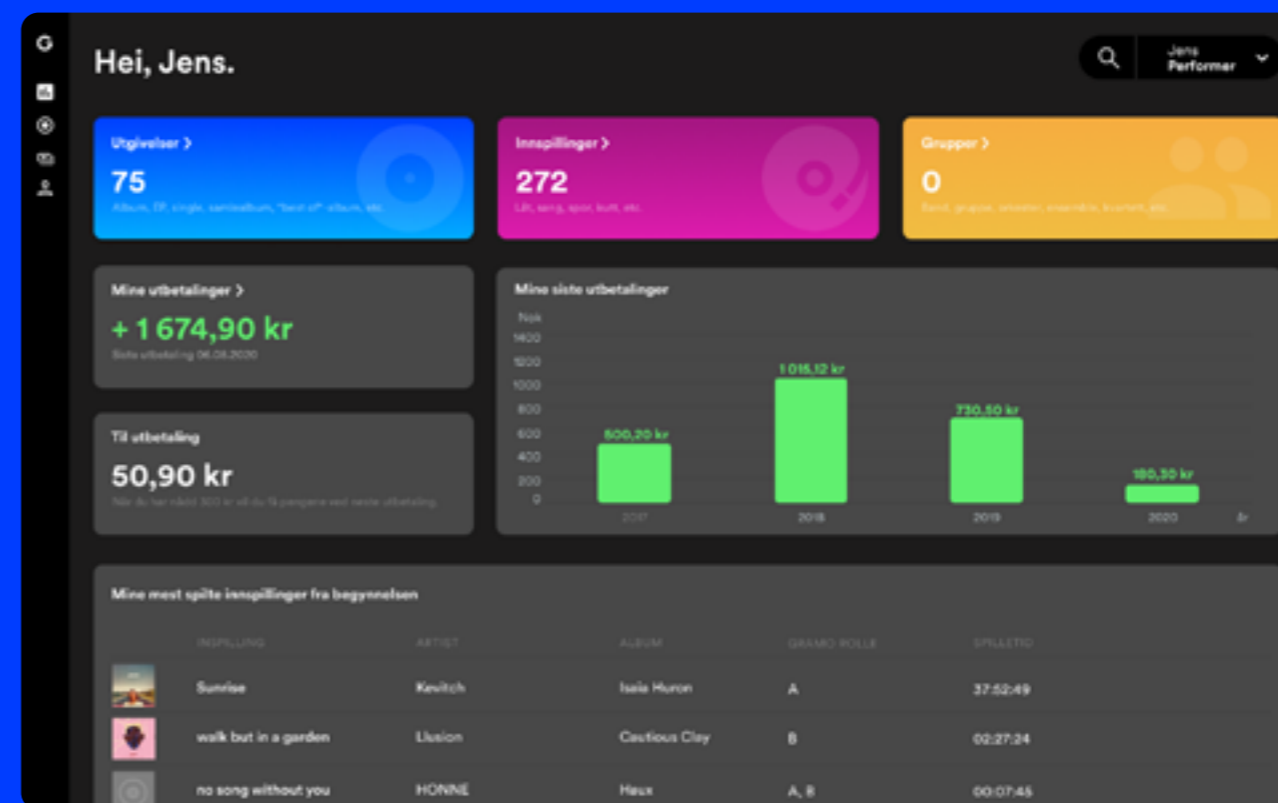
+15% **

increased user-friendliness after the upgrade

** = measured in a member survey conducted by Kantar October 2020. 914 members have answered this question



Log in to Min side to try out the new experience for members.



BEKRÆFTELSE	VEDERLAGSÅR	DATO	DETALJER	BELØP (kr)
2019Q13 - Agent	2019	12.12.2019	-	+ 257 634,60
Overført under utbetaling "2019Q13 - Agent"	2015	12.12.2019	-	- 98,04
Overført under utbetaling "2019Q13 - Agent"	2016	12.12.2019	-	+ 28 125,01
Overført under utbetaling "2019Q13 - Agent"	2018	12.12.2019	-	- 0,95
Overført under utbetaling "2019Q13 - Agent"	2017	12.12.2019	-	- 201,51
Overført under utbetaling "2019Q13 - Agent"	2017	12.12.2019	-	+ 31 500, 41
Overført under utbetaling "2019Q13 - Agent"	2017	12.12.2019	-	- 182,02
Overført under utbetaling "2019Q13 - Agent"	2016	12.12.2019	-	+ 152 851,13
Overført under utbetaling "2019Q13 - Agent"	2015	12.12.2019	-	+ 65 640,57
Overført under utbetaling "2019Q13 - Agent"	2018	12.12.2019	-	- 23,90

The Gramo board



Knut Ro
Chairman

Company: Solicitor for Ro Sommernes Advokatfirma DA

Other board positions: Gunnar Lage Haugen og Guri Haugens stiftelse (Chairman), Con-Form Group AS (Member of the board), AS Hadeland Glassverk (Member of the board)



Daniel Nordgård
1st deputy chairman

Company: Associate professor, Institute for rhythmic music at Universitetet i Agder

Other board positions: Gramart (Member of the board), Sørnorsk Filmsenter (Chairman), Klagenemda for tilskudd til kulturarrangementer (Member of the board)



Marte Thorsby
2nd deputy chairman

Company: Head of legal IFPI Norge AS/ Partner Kluge Advokatfirma AS

Other board positions: Spellemann AS (Chairman), Norwaco (Deputy Chairman), Arthaus (Deputy Chairman)



Anne Lise Frøkedal
Member of the board

Company: Artist and song writer

Other board positions: Gramart (Deputy Chairman)



Erling Andersen
Member of the board

Company: Managing director FONO

Other board positions: Musikkpartner AS (Chairman), Norwaco (Substitute board member)



Hans Ole Rian
Member of the board

Company: General secretary for Creo – forbundet for kunst og kultur

Other board positions: LO kommune (Member of the board), LOs sekretariat (Alternate member of the board), Forsbergs og Aulies legat (Member of the board), Fordelingsutvalget i Sektor IV Bruk i bibliotek og museer og Sektor V Bruk av TV- selskapers arkivmateriale i Norwaco (Member of the board), Sektor II Undervisningsbruk i Norwaco (Member of the board), Nordisk Union for Musikkutdannere (NUMU) (Chairman)



Eddie Nygren
Member of the board

Company: CFO Universal Music (Nordic region)

Other board positions: Universal Music AS (Chairman), United Stage Artist Norge AS (Chairman), IFPI Norge AS (Member of the board), IFPI Norge (Member of the board), Universal Music AB (Chairman), Polar Music International AB (Chairman), United Stage Artist AB (Chairman), United Stage Intressenter AB (Chairman), United Stage Holding AB (Chairman), Universal Music A/S (Chairman), Universal Music OY (Chairman), Noord Booking A/S (Member of the board), Vitamin AS (Member of the board)

Director's report 2020

Business

Gramo was founded June 7, 1989. The purpose of the association is to negotiate, collect, manage and distribute remuneration to performing artists and producers for broadcasting and other publicly performed audio recordings as determined in section 45b of the Norwegian Copyright Act.

Gramo can also collect, manage and distribute other types of remuneration that accrues to the same rightsholders. The association can also allot funds that benefits licensees in other ways than by individual distribution. The offices are in Rosenkrantzgate 21, 0160 Oslo. In April 2021 Gramo will relocate to new premises in St.Olavs gate 28, 0166 Oslo.

The Board

The following board was elected at the general assembly on 26. August 2020:

Independent chairman:

Knut Ro (substitute representative Nils Petter Hansson)

Members of the board, performer sector:

Daniel Nordgård (substitute member Marius Øvrebø-Engemoen) Hans Ole Rian (substitute member Ingvild Andrea Tellmann) Anne Lise Frøkedal (substitute member Ivar S. Peersen)

Members of the board, producer sector:

Marte Thorsby (substitute member Lena Midtveit) Eddie Nygren (substitute member Ivar Noer) Erling Andersen (substitute member Erle Strøm)

Knut Ro was elected chairman on the general assembly. At the statutory board meeting Daniel Nordgård and Marte Thorsby were elected 1st and 2nd deputy chairman respectively.

The board is organized in sector committees for preparing issues regarding performers or producers respectively.

Gramo has taken out an insurance for the board covering up to NOK 10 million

Economic situation

The year 2020 was marked by the corona pandemic and this also applies to Gramo. Remuneration income was reduced by NOK 8.2 million compared to 2019 and NOK 13.1 million compared to the budget for 2020. The decline is mainly in the area of public performance where many music users have had to stay closed for parts of the year. The number of opening days is one of the parameters for calculating remuneration to Gramo, and closings thus affects the size of the remuneration.

Gramo has applied to the Ministry of Culture for compensation for the decrease in remuneration income due to the pandemic, and this has been granted. Gramo will receive compensation of NOK 6.2 million, and this amounts to approximately 70% of the application amount.

On the cost side, a number of cost-saving measures have been implemented, some of which are temporary and some permanent. This has resulted in total operating costs, excluding losses on claims, being reduced by NOK 5.3 million compared to 2019.

Gramo has in 2020 continued the development of the core system Echo and Min Side. Gramo's operating result for 2020 is NOK 165.166.527 and will be transferred to settlement for remuneration and taxes on funds in full.

Market prospects and risk

Norway is still strongly affected by the pandemic and businesses in different areas are still closed. This will reduce Gramo's remuneration revenues in 2021, but due to the uncertainty, it is difficult to quantify the decline. Gramo always has liquidity that invests conservatively in market funds and low-risk bond funds. The purpose is to keep a low risk, but at the same time achieve a return that is higher than with bank deposits.

Settlement and payments

Three settlements were made in 2020 and these have resulted in payments of NOK 60.7 million to performers and NOK 60.9 million to producers. In addition, NOK 30.7 million has been paid to Fond for utøvende kunstnere.

Continued operation

The board and the Managing Director confirm that the assumption of continued operation is based on the presentation of the annual accounts.

Staff and organisation

Gramo had 27 employees at the end of 2020. The number of man-years in 2020 was 24,9.

The association is organized with the following departments: member, market, IT, finance, communication and staff.

Working environment

Sick leave was 3.1% in 2020 against 4.2% in 2019. Long-term absence, i.e., absence of more than 8 weeks, constitutes 0.9% of the total absence in 2020.

There were no accidents at work that caused personal injury or property damage. Gramo conducts an annual work environment survey under the auspices of Great Place To Work, most recently in November 2020. The results of the survey were generally good. The requirements of the global standard for a good workplace were met, and Gramo was certified by Great Place to Work for 12 months. Further progress is

still desirable in some areas of the working environment, and our effort with this will continue.

Effort to promote equality and stop discrimination

Gramo has 15 male and 12 female employees. Three out of four department heads are women. A work environment survey conducted among the employees in 2020 shows a high degree of positive response to Gramo treating employees equally, regardless of ethnicity, orientation and gender.

In our opinion, gender equality issues have been satisfactorily addressed, and no concrete measures have been implemented or planned in this area beyond the employer's general duty of activity.

The election committee and the board of Gramo have had gender balance on the board on the agenda and encouraged the licensee organizations to nominate female candidates for the board positions.

Environmental reporting

Gramo's business affects the external environment to a limited extent.

Daniel Nordgård

Knut Ro
(chairman)

Marte Thorsby

Eddie Nygren

Erling Andersen

Anne Lise Frøkedal

Hans Ole Rian

Lars Bakketun
(managing director)

Oslo, 14. april 2021

Profit and loss account 2020

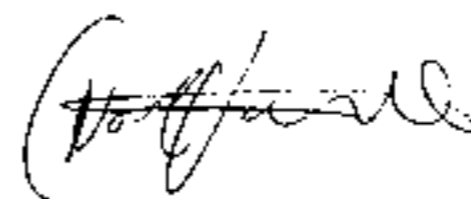
	2020	2019
Operating income		
Income from remuneration, broadcast	97 216 159	95 007 461
Income from remuneration, public performance	61 286 347	71 699 359
Compensation following the Corona pandemic	6 200 000	0
Collected fund fees	39 649 157	30 439 639
Other income	743 235	258 490
Sum income	205 094 898	197 404 949
Operating Income		
Staff costs	21 780 625	25 864 339
Staff costs board / sectors	705 387	926 903
Depreciations / write-downs	7 022 719	5 882 254
Administration costs	9 269 707	11 238 913
Administration fees	-399 191	-387 362
Loss on claims	-2 707 075	6 589 690
Sum operational costs	35 486 172	50 114 737
Operational result	169 422 726	147 290 211
Financial posts		
Financial income	1 830 172	3 579 449
Financial costs	72 371	66 737
Sum financial posts	1 757 801	3 512 712
Result	171 180 527	150 802 923
Dispositions		
Transferred remuneration and fees for settlement	171 180 527	150 802 923
Sum dispositions	171 180 527	150 802 923
Result after dispositions	0	0

Balance sheet

Assets	2020	2019
Fixed assets		
Operating equipment		
Cars	684 564	1 369 393
IT-equipment	1 244 306	324 480
Software	43 581 634	42 086 530
Furnishings etc.	103 235	509 814
Sum	45 613 739	44 290 217
Financial fixed assets		
Net pension funds	0	0
Sum	0	0
Sum fixed assets	45 613 739	44 290 217
Current assets		
Trade debtors		
Trade debtors	18 642 449	7 828 493
Earned, non-invoiced income	20 514 890	22 825 070
Other debtors	962 035	1 107 885
Sum	40 119 374	31 761 447
Financial investments		
Fund investments	126 825 575	115 709 567
Sum	126 825 575	115 709 567
Bank deposits, cash		
Money, bank	40 646 949	54 716 978
Sum	40 646 949	54 716 978
Sum current assets	207 591 898	202 187 992
Sum assets	253 205 637	246 478 208

Balance Sheet

Equity and debt	2020	2019
Equity		
Equity	0	0
Sum	0	0
Long-term debt		
Provision for liabilities		
Net pension obligations	0	0
Sum	0	0
Total long-term debt	0	0
Short-term debt		
Remuneration		
Remuneration and fees for settlement	240 350 938	233 029 750
Sum	240 350 938	233 029 750
Other short-term debt		
Supplier debt	2 261 499	1 388 097
Public debt	2 997 989	1 818 507
Other short-term debt	7 595 211	10 241 855
Sum	12 854 699	13 448 459
Total short-term debt	253 205 637	246 478 208
Total equity and debt	253 205 637	246 478 208



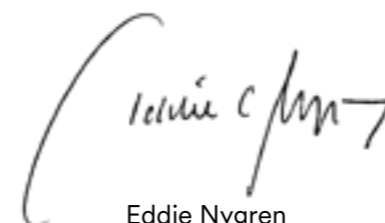
Daniel Nordgård



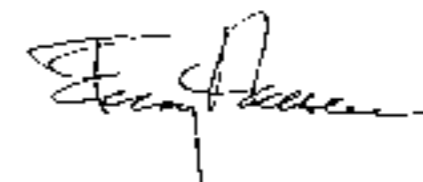
Knut Ro
(chairman)



Marte Thorsby



Eddie Nygren



Erling Andersen



Anne Lise Frøkedal



Hans Ole Rian



Lars Bakketun
(general manager)

Oslo, 14. april 2021

“**Music makes you weak in a way that makes you strong.**”

Benny Andersen



Gramo is authorised by



Kulturdepartementet

Contact us!

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Switch board: +47 22 00 77 77

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