



BMI

ANNUAL REPORT

2021-2022



TABLE OF CONTENTS

4

Board of Directors

5

President & CEO Report

9

Roster & Repertoire

15

Revenue Performance

17

U.S. Customer Relations &
International Society Outreach

19

Diversity, Equity & Inclusion

21

Protecting the Future of Music

23

Distribution & Administration

24

Technology

BOARD OF DIRECTORS



CAROLINE BEASLEY
CHAIRMAN
BMI BOARD OF DIRECTORS
CHAIRPERSON & CEO
BEASLEY MEDIA GROUP, LLC
BMI DIRECTOR SINCE 2014



MICHAEL J. FIORILE
PRESIDING DIRECTOR
BMI BOARD OF DIRECTORS
BMI DIRECTOR SINCE 2010



MICHAEL O'NEILL
PRESIDENT & CEO
BMI
BMI DIRECTOR SINCE 2013



GREG ASHLOCK
CEO
IHEARTMEDIA MULTI-PLATFORM
GROUP
BMI DIRECTOR SINCE 2015



SUSAN DAVENPORT AUSTIN
CFO
GRACE CHURCH SCHOOL
BMI DIRECTOR SINCE 2007



AMADOR BUSTOS
PRESIDENT & CEO
BUSTOS MEDIA HOLDINGS, LLC
BMI DIRECTOR SINCE 2002



REBECCA CAMPBELL
CHAIRMAN, INTERNATIONAL
CONTENT & OPERATIONS
THE WALT DISNEY COMPANY
BMI DIRECTOR SINCE 2015



BILL HOFFMAN
PRESIDENT
HOFFMAN COMMUNICATIONS, INC.
BMI DIRECTOR SINCE 2014



CATHERINE L. HUGHES*
FOUNDER & CHAIRPERSON
URBAN ONE, INC.
BMI DIRECTOR SINCE 2002



PAUL KARPOWICZ
RETIRED PRESIDENT,
MEREDITH LOCAL MEDIA GROUP
BMI DIRECTOR SINCE 2007



JEROME L. KERSTING
BMI DIRECTOR SINCE 2001



ALFRED C. LIGGINS, III
CHIEF EXECUTIVE OFFICER
URBAN ONE, INC.
BMI DIRECTOR SINCE 2021



DAVE LOUGEE
PRESIDENT & CEO
TEGNA, INC.
BMI DIRECTOR SINCE 2013



VIRGINIA HUBBARD MORRIS
VICE PRESIDENT
HUBBARD BROADCASTING, INC.
CHAIR & CEO
HUBBARD RADIO, LLC
BMI DIRECTOR SINCE 2005



MARK PEDOWITZ
CHAIRMAN & CEO
THE CW NETWORK
BMI DIRECTOR SINCE 2006



CRAIG ROBINSON
EXECUTIVE VICE PRESIDENT AND
CHIEF DIVERSITY OFFICER
NBCUNIVERSAL
BMI DIRECTOR SINCE 2021



G. NEIL SMITH
PRESIDENT
GNS MEDIA, LLC
BMI DIRECTOR SINCE 1995



PERRY SOOK
CHAIRMAN & CEO
NEXSTAR MEDIA GROUP, INC.
BMI DIRECTOR SINCE 2020

* HONORARY DIRECTOR

PRESIDENT & CEO REPORT



The Company had its strongest year ever, generating unprecedented revenue and its highest distributions of all time, thanks to the extraordinary use of BMI's unrivaled repertoire.

I am thrilled to report that for the fiscal year ended June 30, 2022, BMI generated record-breaking revenue of \$1.573 billion, an increase of \$212 million, or 16%, over last year.* BMI also distributed and administered an all-time high of \$1.471 billion to our songwriters, composers and publishers, \$136 million more than the prior year, or a 10% increase. For the seventh consecutive year, BMI's results represent the highest reported public performance revenue and royalty distributions of any music rights organization in the world, underscoring the growing value the Company is delivering to the creative and business communities we are entrusted to serve.

BMI's total distributions of \$1.471 billion include domestic and international royalties as well as distributions from direct deals between BMI publishers and digital service providers that BMI administers on their behalf. Those direct deals, which make up approximately 3% of BMI's overall distribution, totaled \$49 million, or \$36 million less than the previous year. That number is lower because certain licensing partners have decided to forego direct deals and have come back to BMI to handle their licensing needs.

BMI's long-term revenue diversification strategy led to the Company's landmark results. The rise in digital consumption and streaming resulted in tremendous growth in the digital category. Revenue generated from digital sources came in at \$572 million, an increase of \$149 million, or 35%, over last year. Total domestic Media Licensing, comprised of Cable & Satellite, Broadcast Television, and Radio, posted a 2% increase to \$479 million. Revenue

delivered from cable and satellite sources generated \$270.3 million, essentially flat compared to last year. Radio came in at \$114.2 million, an increase of 6% compared to the prior year. Broadcast television totaled \$94.3 million, holding steady with last year.

General Licensing, along with other income, was up 10% year-to-year for a total of \$140 million, continuing to give BMI a competitive edge in the industry. This category is approaching pre-pandemic levels as businesses across the country experience ongoing recovery. On the global front, BMI's international revenue hit a record high of \$382 million, an increase of \$43 million, or 13%, over last year, a particularly impressive accomplishment given the unfavorable impact of foreign exchange rates due to the strengthening of the U.S. dollar.

The Company's success is a direct result of BMI's incomparable repertoire and its unmatched worldwide appeal. Throughout the year, BMI songwriters and composers across genres garnered the most coveted industry accolades and achieved great creative heights. Highlights included Taylor Swift releasing her tenth #1 album, *Red (Taylor's Version)*; Lady Gaga receiving her first scoring credit for her dynamic music in the blockbuster film *Top Gun: Maverick*; BTS' "Dynamite," written by BMI songwriters Jessica Agombar and David Stewart, breaking one billion streams on Spotify; Ed Sheeran's "Shape Of You" becoming the first song in Spotify history to surpass three billion streams; and Lil Nas X winning the prestigious Hal David Starlight Award from the Songwriters Hall of Fame, to name just a few.

PRESIDENT & CEO REPORT

BMI's outstanding composers scored major hits at the box office including *F9: The Fast Saga* (Brian Tyler), *Eternals* (Ramin Djawadi), *Ghostbusters: Afterlife* (Rob Simonsen) and *Jungle Cruise* (James Newton Howard). The majority of this season's primetime network TV shows featured themes and/or scores written by BMI composers, including *NCIS* (Brian Kirk), *FBI* (Atli Örvarsson), *The Equalizer* (Sean Pack) and *Walker* (Jeff Beal). Cable and streaming highlights included *Yellowstone* (Brian Tyler, Breton Vivian), *Ted Lasso* (Tom Howe), *Law & Order* and *Law & Order: SVU* (Mike Post), *The Umbrella Academy* (Perrine Virgile) and *The Flight Attendant* (Blake Neely). The legendary John Williams ventured back into *Star Wars*, composing the theme for *Obi-Wan Kenobi*, while Ludwig Göransson and Joseph Shirley scored *The Book of Boba Fett*.

As the BMI team safely transitioned back to the office on a hybrid schedule, we continued to provide seamless service to our affiliates and licensees. After two years of pandemic cancellations and delays, BMI was excited to safely and successfully bring live events back, starting with our Latin Awards in March of 2022. We also once again curated dynamic stages at national festivals such as Lollapalooza, ACL, SXSW, and beyond, providing invaluable opportunities to our songwriters across genres.

We saw a great demand for live music this year, exemplified by the success of BMI's largest #1 Party ever, celebrating country star Luke Combs' nine #1 hits, where Combs and his cowriters gave a phenomenal sold-out concert in front of 8,000 attendees at our Nashville office's Back Parking Lot. In addition, BMI continued multiple social media and digital initiatives that highlighted our affiliates and participated in virtual conferences and panels, all celebrating and promoting BMI music and its talented creators. Further information about our efforts in this area can be found in our "Roster & Repertoire" section.

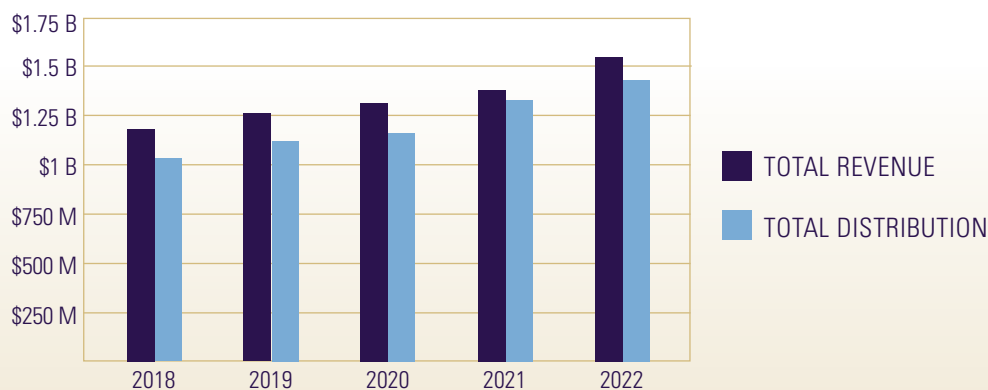
Throughout the year, BMI strengthened our efforts to support our creative community, protect their livelihoods and foster the ongoing creation of new music. We seamlessly implemented our new distribution schedule in January 2022, resulting in one distribution per calendar quarter. Distributions are now also slightly accelerated, with royalties delivered one to two months faster from performance to payment than previously. To transition to this new schedule, we delivered a one-time fifth quarterly distribution in November of 2021, covering performances that would typically have been paid out in January 2022, which helped maximize our affiliates' royalties and minimize the financial impact of the pandemic.

Notably, our February 2022 distribution was the highest ever in the Company's history, and we were gratified to deliver this stability to our creative community.

BMI also continued to enhance our operations, systems and processes to manage ever-growing volumes of data. This year, BMI's membership increased by 8%, bringing our new total of creators and copyright owners to 1.3 million. BMI also saw our number of licensed musical works grow to 20.6 million, up 10% over last year. Moreover, BMI processed 2.23 trillion performances this year, of which 2.21 trillion were digital, reflecting a 13% increase in total performances processed from the year prior and underscoring the ongoing digital direction of the music marketplace.

During the year, we continued to champion full and fair value for the use of the BMI repertoire across platforms. To that end, BMI's rate court action against the North American Concert Promoters Association (NACPA) is ongoing, with BMI seeking rates for live concerts that more fairly reflect the value our affiliates' music brings to the U.S. live concert industry, are more in line with global models, and capture the various ways the modern promoter monetizes concerts.

TOTAL REVENUE & ROYALTY DISTRIBUTION



SENIOR MANAGEMENT



MICHAEL COLLINS
VICE PRESIDENT
GOVERNMENT RELATIONS



SHOUVIK DAS
SENIOR VICE PRESIDENT
DISTRIBUTION, PUBLISHER RELATIONS &
ADMINISTRATION SERVICES



BRUCE A. ESORTHY
SENIOR VICE PRESIDENT
FINANCE & ADMINISTRATION,
CHIEF FINANCIAL OFFICER



LIZ FISCHER
SENIOR VICE PRESIDENT
CORPORATE COMMUNICATIONS
& MARKETING



GLEND A HART
VICE PRESIDENT
SPECIAL PROJECTS



NADA LATTO
SENIOR VICE PRESIDENT &
CHIEF HUMAN RESOURCES OFFICER



DAVID LEVIN
SENIOR VICE PRESIDENT
LICENSING



STUART ROSEN
SENIOR VICE PRESIDENT &
GENERAL COUNSEL



JODI SAAL
VICE PRESIDENT
CORPORATE PLANNING



ALISON SMITH
EXECUTIVE VICE PRESIDENT
DISTRIBUTION, PUBLISHER RELATIONS
& ADMINISTRATION SERVICES



MICHAEL G. STEINBERG
EXECUTIVE VICE PRESIDENT
CREATIVE & LICENSING



SANDYE TAYLOR
SENIOR VICE PRESIDENT
CHIEF DIVERSITY, EQUITY &
INCLUSION OFFICER



MIKE WEST
SENIOR VICE PRESIDENT
CHIEF INFORMATION OFFICER

PRESIDENT & CEO REPORT

BMI is also vigorously opposing an unprecedented joint action initiated in June 2022 by the Radio Music License Committee (RMLC) against BMI and ASCAP. Relying on a gross mischaracterization of the Music Modernization Act (MMA), the RMLC is attempting to combine a joint rate court action against both PROs. We strongly disagree with this attempt, and BMI is leading the charge in fighting the RMLC's petition on all fronts. Moving ahead, we are seeking to sever the BMI and ASCAP disputes from each other and look forward to establishing the significant value of the BMI repertoire to the radio industry.

On the legislative front, BMI has been actively engaged with lawmakers and stakeholders both on Capitol Hill and in the various state legislatures around the country. Conversations centered on the importance of strong copyright protections and fair compensation for creators, as well as the basics of the music licensing

Internally, BMI was very pleased to launch a new Company intranet this spring called Inside BMI. A true cross-departmental effort among our Technology, Human Resources and Corporate Communications & Marketing departments, the new site is both informative and engaging, providing Company information and updates while keeping everyone better connected. Inside BMI is an excellent resource that both significantly upgrades the functionality of our intranet and improves our overall internal communications.

BMI also made significant strides with our critical diversity, equity and inclusion work, led by Sandye Taylor, who I'm pleased to share was elevated to Senior Vice President, Chief DE&I Officer this year. Among our highlights, we launched six Employee Resource Groups (ERGs), which foster a diverse and inclusive workplace aligned with our Company goals and values. To date, nearly 40% of BMI team members

have gained invaluable insights about our best path forward. I'm very excited about further prospects for delivering long-term growth for our songwriters, composers, publishers, and shareholders, and look forward to sharing those plans.

I would like to take this opportunity to thank the entire BMI Board of Directors and the Senior Management team for all of their outstanding efforts this year that resulted in BMI's landmark performance. In addition, the broader BMI team has once again shown incredible dedication and resilience this year, and I am grateful for their contributions.

As we embark on fiscal year 2023, BMI is in a very strong position and we anticipate building on our track record of success. Representing such extraordinary creators and copyright owners has made BMI the leading performing rights organization in the industry. We are proud to support our outstanding creative community,



WE CONTINUED TO CHAMPION FULL AND FAIR VALUE FOR THE USE OF THE BMI REPERTOIRE ACROSS PLATFORMS.



system. Further information on these matters is available in our "Protecting the Future of Music" section.

BMI also continued our commitment to providing greater marketplace transparency, investing significant resources into Songview, the repertoire reconciliation engine that BMI and ASCAP jointly launched in fiscal year 2021. This first-of-its-kind project offers a comprehensive performing rights picture for the majority of licensed works in both PROs' repertoires. This year's efforts have been focused on improving the overall data quality of copyright information and introducing and fine-tuning machine coding to sort through data elements on a more automated basis. Additional detail can be found in our "Distribution & Administration" section.

have joined one or more ERG. Several other engaging DE&I initiatives were introduced this year, all of which make us collectively stronger and more supportive as individuals and as an organization. Additional information on these efforts can be found in our "Diversity, Equity & Inclusion" section.

Furthermore, in March we shared an important and exciting update with the Company, noting that BMI had hired outside advisors to help us explore strategic opportunities to further grow the value of our affiliates' music and our business. To ensure the best possible outcome, nothing was left off the table, including a possible sale of BMI to a new owner, which was an avenue we decided not to pursue. This process was an incredible learning experience for everyone involved, and we

facilitate their groundbreaking work, and enable our business community to deliver the world's best music to their diverse audiences. Moving forward, BMI remains dedicated to exceeding the expectations of both our affiliates and our licensees.

I encourage you to read the report that follows, which provides an overview of BMI's business operations this fiscal year. We look to the future with optimism and an unwavering resolve to safeguard the future of music.

Sincerely,

*THE PERCENTAGE DIFFERENTIAL BETWEEN REVENUE GROWTH AND ROYALTY DISTRIBUTION GROWTH IS SIMPLY TIMING DUE TO THE WAY BMI IS REQUIRED TO ACCOUNT FOR REVENUE UNDER THE ASC606 ACCOUNTING GUIDANCE ADOPTED LAST YEAR. REVENUE IS RECORDED IN THE PERIOD THE PERFORMANCE OCCURS, HOWEVER, THE RELATED DISTRIBUTIONS ARE IN A SUBSEQUENT FISCAL YEAR.

ROSTER & REPERTOIRE



BMI hosted its biggest #1 Party ever in our Nashville office's Back Lot, celebrating country superstar Luke Combs.

It was an incredible year for BMI's unparalleled songwriters, composers and publishers, whose exceptional talent, creativity and artistry ignited the industry and resulted in the world's most sought-after and successful music.

From topping the charts and dominating streams, to enriching hit films and series, and driving dynamic live performances, the BMI repertoire was in-demand across all platforms. During the year, BMI's Creative team strengthened our support for our affiliates through multiple initiatives, while growing the Company's market share across genres and platforms. Today's top songwriters and composers, along with the most promising new talent, and the legendary greats, all reinforced BMI's position as home to both the most groundbreaking and enduring music creators in the world.

ROSTER & REPERTOIRE

Among the many highlights of the year, global superstar Taylor Swift released *Red (Taylor's Version)*, notching her milestone 10th #1 album; notably, the project was also home to her 8th Hot 100 #1, "All Too Well (10 Minute Version) (Taylor's Version) (From the Vault)." The song now stands as the longest Hot 100 chart-topper of all time, breaking a 50-year record held by Don McLean's "American Pie." English pop star Ed Sheeran scored his fourth #1 album with =, while his previous hit, "Shape of You," became the first song in Spotify history to surpass three billion streams. Lady Gaga earned her first scoring credit for the box office juggernaut, *Top Gun: Maverick*, which spent multiple weeks at #1 and quickly surpassed \$1 billion worldwide. Beyond her work as a composer on the film's score, Gaga co-wrote and performed its theme song, "Hold My Hand."

Rap sensation Lil Nas X landed his third #1 single with the smash hit, "INDUSTRY BABY," which was featured on his first full-length project, *Montero*. Supergroup BTS had another smash hit with the GRAMMY-nominated "Dynamite," which debuted at #1 and made them the first K-pop group in history to debut atop the chart. The song has earned over one billion streams on Spotify and followed the success of their megahit, "Butter." Country star Kacey Musgraves returned to the music scene in 2021 with her fourth #1 album, the critically acclaimed, *star-crossed*, that also launched a successful tour.

Karol G set a record when she became the first woman since 1995 to hold the top two positions on the Hot Latin Songs chart, with "Mamiii," and "Provenza." J Balvin returned with a new album, *JOSE*, which went to #1 and dropped a "double single" in the form of two genre-blending collaborations with Ed Sheeran: "Sigue" and "Forever My Love." Brazilian pop star Anitta became the first artist from her country to top Spotify's daily global chart and Billboard's Global Excl. U.S. chart with her song "Envolver."

Interest in music-related programming on audiovisual media soared this year, fueled by streaming services that continued offering more content than ever before. Maren Morris, Carrie Underwood, and Thomas Rhett all held livestreamed concerts on Amazon Prime Video, and Machine Gun Kelly's documentary, *Life In Pink*, dropped on Hulu shortly after the release of his #1 album, *mainstream sellout*. On Netflix, Jennifer Lopez detailed the preparation that went into her iconic Super Bowl Halftime performance with Shakira in the documentary, *Halftime*, and Mark Ronson created a series for Apple TV+ called *Watch the Sound*, which explored the intersection of technology and musical innovation across genres.

Some of the most performed songs of the year were written by Tom Barnes, Jason Cox, Omer Fedi, Jesse Frasure, Ethan Hulse, Aaron Lindsey, Michael Pollack, Roddy Ricch, Tainy, Omar Tarazón, J Drew Sheard II and Kierra Sheard. In addition, BMI composers such as Nicholas Britell, Mychael Danna, Ramin Djawadi, Ludwig Göransson, Harry Gregson-Williams, James Newton Howard, Mark Isham, Mark Mothersbaugh, Blake Neely, Thomas Newman, Atli Örvarsson, Carlos Rivera, Atticus Ross and Brian Tyler scored many of the year's most popular films, television, cable and streaming series.

BMI welcomed many prominent affiliates this year including Griff, Karol G, Kid Culture, The Kid LAROI, Harry Michael and Tyron Takaha Hapi of Masked Wolf, all three members of Rufus Du Sol, Matthew Murphy of The Wombats, Bull Nene, Troye Sivan, and Steve Angello of Swedish House Mafia, to name just a few. Matthew Cory Schaeffer of Beach Noise Music and Gustavo Santaolalla both returned to BMI this year, and affiliates who renewed their relationships with BMI included Anuel AA, A\$AP Ferg, J Balvin, Nathan Barr, Birdman, Metro Boomin, Doja Cat, Ramin Djawadi, Billy Corgan, Eminem, Omer Fedi, Tony Morales, GAYLE, Inflo, SAINT JHN, Shay Mooney, Willie Nelson, Thomas Newman, Kevin Parker, Tayla Parx, Michael Pollack, Blake Slatkin, Sting, Van Morrison, David Biral, Denzel Baptiste of Take a Daytrip, and Brian Tyler, among many others.

INDUSTRY AWARDS

Beyond the achievements noted above, BMI creators received major industry accolades throughout the year. Doja Cat and SZA won their first GRAMMYS for "Kiss Me More"; BMI Icon CeCe Winans took home three GRAMMYS for her album, *Believe for It*, and producer Dernst "D'Mile" Emile II collected two GRAMMYS, including Song of the Year for "Leave the Door Open" by Silk Sonic. Emmys went home with several BMI affiliates, including Ludwig Göransson (Disney+'s *The Mandalorian*), Carlos Rafael Rivera (Netflix's *The Queen's Gambit*), Kristen Anderson-Lopez and Robert Lopez ("Agatha All Along" from Disney+'s Marvel series, *WandaVision*) and Blake Neely (HBOMax's *The Flight Attendant*).

At the Premio Lo Nuestro Awards, Karol G, J Balvin, CNCO, and Grupo Firme took home multiple honors each, while newcomer El Alfa won two trophies, and legendary Mexican singer/songwriter Paulina Rubio was given a special recognition, the Premil a la Trayectoria. Luke Combs won Entertainer of the Year at the CMAs for the first time, and at the 2022 ACMs, hosted by country legend Dolly Parton, Miranda Lambert was named Entertainer of the Year.

After a two-year hiatus, the in-person induction ceremony of the Songwriters Hall of Fame took place in June 2022. Renowned BMI songwriters inducted this year included Chad Hugo of the Neptunes, William "Mickey" Stevenson and Dave Stewart of Eurythmics. The prestigious Hal David Starlight Award, honoring gifted songwriters who are making an impact with their original works, was presented to Lil Nas X.

ROSTER & REPERTOIRE



Doja Cat and SZA won their first GRAMMYS for “Kiss Me More.”



Inductee William “Mickey” Stevenson performs “Dancing in The Streets” at the Songwriters Hall of Fame 51st Annual Induction.

BMI AWARDS

BMI was excited to create rich, multi-media experiences for our virtual award show celebrations during the first half of the year. For our R&B/Hip-Hop Awards, GRAMMY and Oscar-winning singer/songwriter H.E.R. submitted a special video welcome, while many writers and producers shared the stories behind their winning songs. Our London Awards honored renowned songwriter/producer Inflo with the BMI Champion Award while the BMI Impact Award went to rising star Arlo Parks, who shared an exclusive video performance that lit up our special digital site. Our Country Awards was also a festive online celebration, and for the first time in 33 years BMI saw a historic tie for Country Publisher of the Year, with both Sony Music Publishing and Warner Chappell Music taking the title. All of our digital award shows were well-received by the creative community, each garnering on average over 25,000 views and expanding the reach of our songwriters’ achievements.

BMI was thrilled to return to in-person ceremonies in the second half of the year, starting with the 2022 BMI Latin Awards, where the President’s Award was presented to legendary reggaetón pioneers Wisin & Yandel. BMI’s Trailblazers of Gospel Music Awards followed, highlighting an impressive four-way tie for Songwriter of the Year, with Aaron Lindsey, J Drew Sheard II, Kierra Sheard, and Jeshua “TedyP” Williams all taking home the honor. At the BMI Pop Awards, we were delighted to salute legendary creators Mike Stoller and Carole Bayer Sager with BMI Icon Awards for their indelible musical contributions, along with our Songwriters of the Year, Omer Fedi and Michael Pollack. At the Film, TV, and Visual Media Awards, we honored Brian Tyler as our BMI Icon and presented the BMI Impact Award to Amy Andersson, Miriam Cutler, Isolde Fair, Penka Kouneva, Starr Parodi and Lolita Ritmanis in recognition of their profound work on the documentary, *Women Warriors: The Voice of Change*. Rounding out the ceremonies for the year was our Christian Awards, during which Steven Curtis Chapman was the first Christian music artist to receive the BMI Icon Award.

In April 2022, BMI was also proud to honor world-renowned superstars Gloria and Emilio Estefan for their pioneering influence in Latin music during our BMI Board of Directors dinner at the 72nd annual NAB convention.

FILM, TV, & VISUAL MEDIA HIGHLIGHTS

BMI’s remarkable composers scored major hits at the box office this year including *F9: The Fast Saga* (Brian Tyler), *Eternals* (Ramin Djawadi), *Ghostbusters: Afterlife* (Rob Simonsen), *Jungle Cruise* (James Newton Howard) and *Halloween Kills* (Daniel Davies). On the small screen, the

ROSTER & REPERTOIRE



BMI Icon Brian Tyler, BMI's Mike O'Neill and legendary composer Mike Post at the 38th Annual BMI Film, TV, & Visual Media awards.



CNCO and Paulina Rubio at the 34th edition of Premio Lo Nuestro.

majority of this season's primetime network TV shows featured themes and/or scores written by BMI composers, including *NCIS* (Brian Kirk), *FBI* (Atli Örvarsson), *The Equalizer* (Sean Pack) and *Walker* (Jeff Beal). Cable and streaming highlights included *Yellowstone* (Brian Tyler, Breton Vivian), *Law & Order* (Mike Post), *Mayans M.C.* (David Wingo), *Animal Kingdom* (Samuel Jones, Alexis Marsh, Atticus Ross, and Claudia Sarne), *Ted Lasso* (Tom Howe), *The Umbrella Academy* (Perrine Virgile) and *The Flight Attendant* (Blake Neely). John Williams notably ventured back into *Star Wars*, composing the theme for *Obi-Wan Kenobi*, while Ludwig Göransson and Joseph Shirley scored *The Book of Boba Fett*.

CAREER SUPPORT & OPPORTUNITIES

BMI's commitment to career development, mentorship, and promotional opportunities for our affiliates continued in full force this year. After two years of successfully supporting songwriters and composers via virtual initiatives, BMI returned to in-person events, including festivals, panels, workshops, and more, while continuing many of our most impactful online offerings.

BMI brought many talented songwriters to perform at festivals across the country. A proven launchpad for music careers, the BMI stage returned to Lollapalooza in 2021. Our Creative team curated 24 genre-blending acts to electrify the Chicago crowd. BMI

“
TODAY'S TOP
SONGWRITERS
AND COMPOSERS,
ALONG WITH
THE LEGENDARY
GREATS, ALL
REINFORCED
BMI'S POSITION
AS HOME TO
BOTH THE MOST
GROUNDBREAKING
AND ENDURING
MUSIC CREATORS
IN THE WORLD.
”

also resumed our presence at SXSW in 2022, holding multiple events including the annual Acoustic Brunch and a dynamic Latin stage. BMI affiliates were also highlighted at the Hangout Festival, Austin City Limits and the Key West Songwriters Festival, all platforms that provide valuable opportunities for affiliates to reach new audiences and industry decision-makers.

For the first time, BMI partnered with the iconic Tribeca Film Festival to present an in-person panel called “Tribeca Talks: The Art and Business of Scoring for Film, TV & Visual Media.” Participants included composers Kathryn Bostic, Carlos Rafael Rivera, and Tamar-kali, who shared insights with a packed audience about their creative process and the business side of composing for films. Additionally, BMI presented the Festival's Music Lounge, featuring live music and enlightening industry panels, celebrating our many composers who scored films premiering at Tribeca.

Once again, BMI partnered with the Sundance Film Festival, which premiered films featuring music by 20 BMI composers. BMI produced two “Score to Screen” panels featuring conversations between Common and Patrick Warren (*Alice*) and Amy Poehler and David Schwartz (*Lucy and Desi*). Each discussion gave an inside look at the creative process of incorporating music in film while diving into the relationship between a composer and a film's director or producer.

ROSTER & REPERTOIRE

BMI also took part in the Los Angeles Latino International Film Festival (LALIFF) to host a mixer that brought together industry professionals from the worlds of music, film and TV. Additionally, BMI produced a series of informative LALIFF panels including “Women in the Music Industry” and “Music X Film.” The Company also worked extensively with the Latin Alternative Music Conference (LAMC) to host both online and in-person events. BMI’s Vice President, Creative, Jesus Gonzalez moderated a well-attended online artist development panel with Latin music executives and award-winning producer Sebastian Krys. Later in the year, BMI presented an exciting showcase to kick off the 23rd LAMC, with performances by some of the most diverse and promising names in Latin music today.

BMI’s Lehman Engel Musical Theatre Workshop was held in person this year, as were the BMI Jazz Composers Workshop and BMI’s Conducting Workshop. The Company also partnered with Beasley Media Group to launch a new 12-part edition of BMI’s signature “How I Wrote That Song” series. Each episode gave audiences an inside look at the creative process of writing and producing hit songs, as well as the stories behind them, that was shared on-air and with digital audiences. The series featured Lauren Alaina, Chris Lane and Oak Felder, among others.

INDUSTRY TRENDS

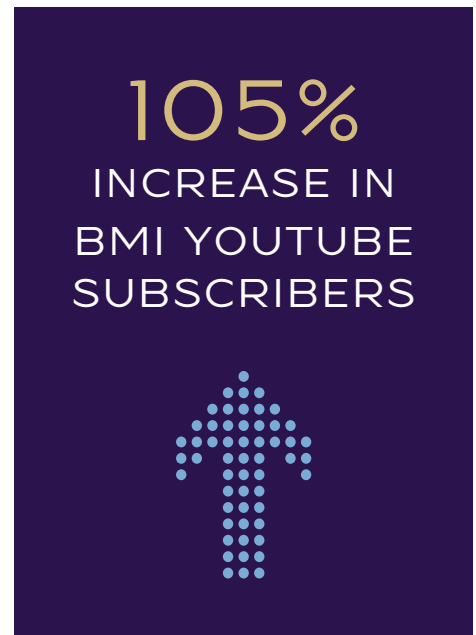
With genres blending and collaborations leading to some of the most popular releases this year, BMI songwriters have stayed ahead of the curve, landing hits with boundary-breaking sounds. Among them is Camila Cabello, whose third album, *Familia*, is home to the song “Bam Bam” with Ed Sheeran. The song mixes pop melodies with Latin instrumentation and is performed in both English and Spanish by Cabello and Sheeran. Another example is Doja Cat bridging the pop and R&B/hip-hop worlds with her most recent album, the platinum-

selling *Planet Her*. Doja Cat also exemplified this year’s trend of classic songs sampled in current hits. Her song “Vegas,” the lead single on the soundtrack for Baz Luhrmann’s *Elvis*, includes a sample of “Hound Dog,” which was written by BMI legends, Leiber & Stoller.

Live music returned this year, with many artists performing for in-person audiences. One example is Luke Combs’ sold-out concert at the BMI Parking Lot Party. Our biggest #1 party ever drew 8,000 fans from around the country to see Combs and his cowriters perform all nine of his #1 singles. Held in the BMI Nashville office’s Back Parking Lot during CMA Week, the party was a massive success that made waves across Music City. During the same week, BMI partnered with Nashville’s historic Ryman Auditorium to curate the Ryman Block Party Powered by BMI, which allowed 14 emerging songwriters to perform for the first time at CMA Fest.

Social media remained a powerful platform that sparked many viral music hits. For instance, Walker Hayes’ song “Fancy Like”

““
WE RETURNED
TO IN-PERSON
EVENTS WHILE
CONTINUING
MANY OF OUR
MOST IMPACTFUL
ONLINE
OFFERINGS.
””



dominated TikTok this year, then became his first chart-topper on the Country Airplay chart. DJ Khaled’s 2017 track “Major Bag Alert” saw a resurgence in streams due to its inclusion in a viral TikTok trend, and “Running Up That Hill (A Deal with God)” by Kate Bush became a TikTok sensation after it was included in the fourth season of Netflix’s *Stranger Things*. From there, the track, which was first released in 1985, became the most streamed song on Spotify and hit #1 on the Global Charts.

Leveraging the popularity of social media today, BMI drove exciting momentum across our channels. We saw incredible growth on YouTube, with a 105% increase in subscribers over the prior year. BMI achieved this by creating engaging videos of our events and original video series that highlight our affiliates. We augmented our strategy this year and dedicated a social media videographer to key BMI events and stages, allowing us to produce videos featuring the latest social media trends and share them on a much faster timeline, which improved reach and engagement. Impactful social video content such as our *How I Wrote That Song* and *Know Them Now* series, both

ROSTER & REPERTOIRE

of which served as platforms for our affiliates to share their music and the stories behind it, added to our success. Notably, our virtual *How I Wrote That Song* series saw a 264% increase in views compared to the prior year.

BMI's creative community was also eager to take part in activations on BMI's Instagram account, with 85 songwriters participating in Instagram story takeovers that collectively amassed over 627,000 views. In addition, BMI collaborated with many affiliates and partners who posted about our events on their platforms, such as BMI Icons, Brian Tyler and Steven Curtis Chapman, and BMI Board of Directors honoree Emilio Estefan. Other social collaborations included C3 Presents, which promoted the BMI stages at Lollapalooza and Hangout Music Festival, bringing greater awareness to our affiliates and their music.

SPONSORSHIPS & PARTNERSHIPS

BMI's Partnerships & Events team had a productive year collaborating with the Creative team to broaden BMI's reach in the live event space. One significant achievement was a new four-year agreement with C3 Presents, which will expand BMI stages at Austin City

Limits and Lollapalooza through 2025. With many of the biggest names in music having played BMI stages at these festivals, this extension will strengthen BMI's imprint on the festival circuit and allow for even more meaningful opportunities for our songwriters and composers.

At SXSW, BMI became the official PRO of the Luck Reunion, held at Willie Nelson's ranch. We were also pleased to celebrate the three-year anniversary of our Austin office by hosting a day party at the Saxon Pub, at which several Texas acts performed, with sponsors including Topo Chico, Austin Music Movement, the Texas Music Office, and others.

BMI supported the Key West Songwriters Festival for the first time since 2019 and helped to curate over 100 songwriter performances around town. Additionally, the Company presented the BMI Ambassador Award to Joe D'Angelo of HD Radio, who has supported BMI songwriter initiatives for nearly 15 years. As previously noted, to kick off CMA Week 2022, BMI hosted the BMI Parking Lot Party featuring Luke Combs, which was sponsored by Miller Lite, Anderson Benson, JP Morgan Chase,

Tito's Handmade Vodka, White Claw and Johnson & Johnson. Moreover, featuring some of Nashville's brightest burgeoning talent, BMI again launched Rooftop on the Row, which has become an important event for music industry executives.

Our thriving program of sponsorships and partnerships helps increase awareness of BMI's integral role in the industry and creates exciting opportunities for our affiliates. As always, thank you to all of our sponsors and partners.

INTERNATIONAL

The worldwide appeal of the BMI repertoire soared this year, generating tremendous global performances. Some of the most-performed songs internationally included "Stay," "That's What I Want," "ABCDEFU," "Bam Bam," and "Kiss Me More," written by hitmakers including Omer Fedi, Charlie Puth, Gayle and Camila Cabello. Other chart-toppers included "Dynamite," "Mood," "Watermelon Sugar," and "Shallow," while timeless hits from the BMI repertoire such as "Chitty, Chitty, Bang, Bang," "Can't Take My Eyes Off of You," "Billie Jean" and "Memories" continued to captivate global audiences.

BMI's extraordinary composers also created remarkable music for films and series that attracted worldwide viewers, including *F9: The Fast Saga* (Brian Tyler), *Doctor Strange in the Multiverse of Madness* (Danny Elfman), *Top Gun: Maverick* (Lady Gaga), *Fantastic Beasts: The Secrets of Dumbledore* (James Newton Howard), and *Uncharted* (Ramin Djawadi), to name just a few. Fan-favorite television and cable series such as *NCIS*, *Law & Order: SVU*, *Hawaii Five-O*, *Mentalist*, *Sportscenter* and *CSI: New York* all remained top exports this year.

BMI's exceptionally talented roster of songwriters and composers continues to create the most popular and profitable music across all genres around the globe.



BMI'S COMMITMENT TO CAREER DEVELOPMENT, MENTORSHIP, AND PROMOTIONAL OPPORTUNITIES FOR OUR AFFILIATES CONTINUED IN FULL FORCE.



REVENUE PERFORMANCE

It was a banner year in which BMI achieved record-breaking revenue, generating an unprecedented \$1.573 billion for the fiscal year ended June 30, 2022, an increase of \$212 million, or 16%, over the previous year.

For the seventh consecutive year, BMI's landmark results represent the most public performance revenue reported by any music rights organization in the world. This accomplishment underscores the unparalleled global strength of the BMI repertoire and the ever-growing value of the BMI license.

The Company's ongoing strategy of revenue diversification enabled BMI to hit multiple new milestones that drove our historic performance. Businesses across categories experienced strong recovery and used more music than ever before, and to that end, BMI saw exceptional growth this year. Revenue from digital sources totaled \$572 million, up \$149 million, or 35%, compared to last year. Total domestic Media Licensing revenue, comprised of Cable & Satellite, Broadcast Television, and Radio, came in at \$479 million, an increase of \$7 million, or 2%, from the prior year. Of this, cable and satellite-derived income came in at \$270.3 million, essentially flat to last year. Radio posted \$114.2 million, up 6% over last year. Broadcast television came in at \$94.3 million, holding steady with last year. General Licensing, along with other income, was up 10% year-to-year for a total of \$140 million. Driven by the strength of the Company's repertoire, BMI's international revenue hit an all-time high of \$382 million, a \$43 million, or 13%, increase over last year.

DIGITAL

Revenue from digital sources came in at \$572 million, representing 48% of BMI's total domestic revenue. We saw robust growth across all digital sectors, with notable increases in subscription video-on-demand services such as Netflix, Disney+ and Peacock. BMI also executed new digital audiovisual agreements with Roku, Vudu, Equinox+, and Snapchat, and renewed agreements with Meta, TikTok and Twitch.

In addition, BMI executed digital music service renewals with Spotify and Apple Music that are representative of their users' strong utilization of BMI's repertoire on these services. Moreover, BMI introduced a new license agreement for internet radio to reflect current respective market conditions.

As the market evolves, we are adapting and licensing music use in developing areas, including BMI's first agreement with Calm for its health and wellness app; along with Driift Live, VenewLive and LiveNow in the virtual concert space; and Supernatural for its virtual reality-based fitness service, to name a few. We will continue to add new digital licenses as the sector continues to expand into new uses for BMI's repertoire.

CABLE & SATELLITE

Revenue from cable and satellite-derived sources totaled \$270.3 million, holding steady to last year. Notably, this year BMI was pleased to renew agreements with HBO, including HBOMax; Turner, including Boomerang+ and CNN+; and A&E, including various channels for streaming platforms. These comprehensive agreements strengthen our essential broadcasting and cable partnerships while growing our digital portfolio.

RADIO

Radio revenue came in at \$114.2 million this year, a 6% increase over last year, as the category continued to see recovery post-pandemic. As always, radio remains a vital platform for our affiliates' music, due to our dominant market share. However, once again, we regrettably find ourselves at odds with the radio industry due to an unprecedented action initiated by the Radio Music License Committee (RMLC), with proceedings commencing in federal Rate Court. We believe the RMLC petition relies on a gross mischaracterization

REVENUE PERFORMANCE



BMI'S REVENUE DIVERSIFICATION STRATEGY ENABLED THE COMPANY TO HIT NEW MILESTONES THAT DROVE OUR HISTORIC PERFORMANCE.



of the Music Modernization Act (MMA). As a result, BMI is vigorously opposing this action and will continue to defend the value of the BMI repertoire on all fronts. Additional information about this matter is available in our "Protecting the Future of Music" section.

GENERAL LICENSING

BMI's General Licensing team posted \$140 million, approaching pre-pandemic revenue levels as businesses across all categories continued to experience strong recovery. Notably, interest in live music and entertainment rebounded from the pandemic shutdown and is expected to reach new heights as we move forward. Bars and Restaurants, Hotels and Motels and Fitness Clubs all similarly saw the return of customers and drove category growth this year. Our ability to license BMI repertoire for this multi-faceted sector continues to position us as the market leader in this category.

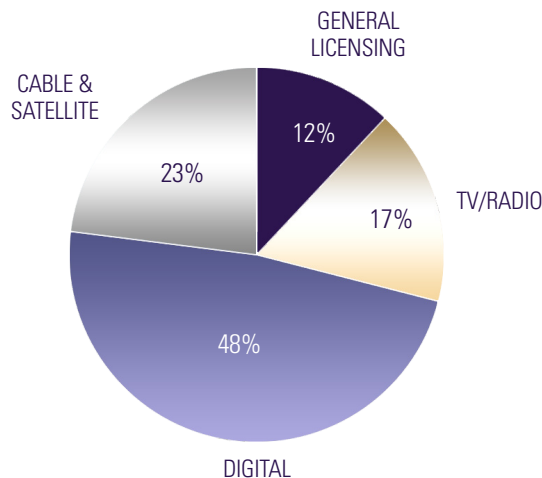
INTERNATIONAL PERFORMANCE

The global popularity of the BMI repertoire fueled international revenue totaling an unprecedented \$382 million. On the digital side, exceptional results from audio streaming and audiovisual sources overseas helped to offset the unfavorable impact of foreign exchange rates due to the strengthening of the U.S. dollar.

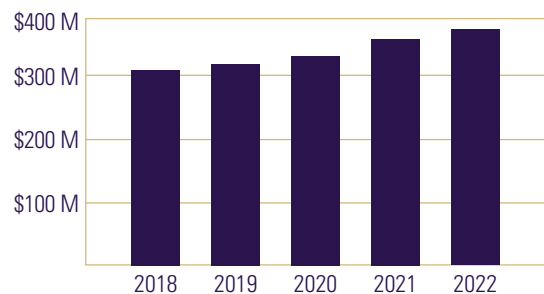
Western Europe continued to be the top earning region this year, seeing strong growth in digital collections. Notably, Canada had a 10% increase in revenue payments to BMI driven mainly by digital audio and audiovisual royalties, while Latin America had a 31% increase in revenue payments to BMI, again driven by digital royalties, from Mexico, Argentina, Colombia, Brazil and Peru. Smaller societies made significantly higher contributions to revenue in the region, such as Guatemala, Jamaica, and Honduras.

As BMI's dynamic repertoire continued to gain worldwide attention and usage, the Company strengthened our ability to capture the value music contributes and deliver it back to our songwriters, composers and publishers.

FY22 DOMESTIC REVENUE SOURCES



TOTAL INTERNATIONAL REVENUE



U.S. CUSTOMER RELATIONS & INTERNATIONAL SOCIETY OUTREACH



BMI honors Gloria and Emilio Estefan at the 72nd Annual BMI/NAB Dinner in Las Vegas.



BMI's Dan Spears, Blake Shelton, BMI's Leslie Roberts, and Country Aircheck's Lon Helton at the 2022 Country Radio Seminar.

BMI continued to foster synergies between our licensees and affiliates this year, bringing them closer together and providing value-added opportunities for businesses to engage with creators.

The Company continued to strengthen our trusted partnerships with state and national associations, offering members across industries the opportunity to hear the stories behind the songs they play in their businesses. This year saw our licensing partners return to in-person events, and BMI was pleased to continue our tradition of supporting these efforts. Featured in nearly 60 events across the country, BMI affiliates were front and center in delivering dynamic performances and showcasing how important licensing fees are to their livelihoods.

BMI also reinforced our digital partnerships, creating invaluable opportunities for our affiliates, highlighting the scope and depth of BMI's repertoire, and driving home the value music creators and businesses provide to each other. On the international front, BMI deepened our relationships with our sister societies, resuming in-person meetings as well as participating in virtual technical visits. Conversations centered on the global copyright landscape and the need for creators to be fairly compensated for the use of their music wherever it is performed.

ASSOCIATION PARTNERSHIPS

BMI helped Radio Ink honor music industry legend Emilio Estefan, who was awarded their Distinguished Leadership Award as part of the magazine's Medallas de Cortez Awards presentation during the Hispanic

Radio Conference. Paying tribute to Estefan was GRAMMY-nominated BMI singer-songwriter Elsten Torres, who performed a medley of some of the renowned songwriter's biggest hits. Estefan has been a BMI affiliate for more than 45 years.

As part of BMI's outreach to the TV industry, BMI also teamed up with Hearst Television to provide a stunning performance by Tiera Kennedy at their annual Executive Management Meeting, held in-person this year on Kiawah Island, SC. The up-and-coming country music artist was named an 'Artist to Watch' by Spotify's *Hot Country*, *Nashville Lifestyles*, *Country Now* and *Sounds Like Nashville*, and was inducted into CMT's *Next Women of Country Music Class of 2020*.

BMI songwriters were highlighted as CRS returned to Nashville with hundreds of country radio and music industry executives in attendance for the first in-person conference in two years. BMI hosted its annual CRS Songwriters Dinner featuring performances by seven up-and-coming BMI writers, along with a closing set from Warner Brothers recording artist Charlie Worsham. In addition, BMI helped wrap up the week by sponsoring the CRS Artist Spotlight Interview with BMI songwriter Blake Shelton, conducted by Country Countdown USA host and Country Aircheck publisher Lon Helton.

Additional events included this year's Restaurant Leadership Conference in Phoenix where BMI country artist Angie K., an alum of NBC's *The Voice*, performed in front of more than 2,000 executives, as well as the International Health, Racquet and Sportsclub Association (IHRSA)'s 41st annual show in Miami, featuring BMI producer, DJ and cumbia pioneer El Dusty, among many others.

U.S. CUSTOMER RELATIONS & INTERNATIONAL SOCIETY OUTREACH

DIGITAL ACCOUNT PARTNERSHIPS

In collaboration with our Creative team, BMI's Digital Licensing team secured multiple opportunities with major digital service providers that benefitted our affiliates across genres. In June 2022, BMI began a partnership with Twitch on the service's music creator program called The Collective to create new and innovative live streaming opportunities for BMI songwriters. BMI is working with Twitch's music team to curate co-ops of music creators, and once selected, they will learn how to grow their channel and earn money directly from fans. Upon completing the program, music creators will receive ongoing backing from Twitch and priority consideration for promotional opportunities and activations from program partners *Rolling Stone* and Amazon Music.

In addition, the Digital Licensing team secured featured BMI songwriter and producer playlists as part of Apple Music's *Songbooks* and *Behind the Boards*, TIDAL's *Written By* and *Produced By*, and Spotify's *Noteable* initiative. Affiliates featured included Johnny Marr, STREETRUNNER, Songwriter's Hall of Fame inductee Mickey Stevenson, Tom Mann, BMI Icon Dean Dillon, and more. All of these exclusive opportunities align with BMI's commitment to help our songwriters advance in their careers, whether they are just starting out or are already established.

INTERNATIONAL SOCIETY OUTREACH

BMI's International team returned to productive in-person visits this year in support of our global society partners, including MSG in Turkey, ESMAA in the United Arab Emirates, JASRAC in Japan, and APRA in Australia and New Zealand. Informative virtual meetings also took place with sister societies HDS-ZAMP (Croatia) and BUMA (Netherlands).



Angie K. kicks off Restaurant Leadership Conference.



Tiera Kennedy performs at the Hearst Executive Management meeting.



Maggie Rose performs at the RAMW's RAMMYS Nominations Party in DC.

Through this in-depth dialogue, BMI continued to strengthen our relationships with our global partners and improve upon the reciprocal service we provide to each other that benefits music creators worldwide.

Meanwhile, as we continued to serve our creative community, the Company and the world witnessed the devastating global conflict happening overseas. This year, BMI took part in an initiative led by CISAC called "Songs for Ukraine" to help benefit music creators in that country and surrounding areas while also providing humanitarian aid to those in need. Moving forward, BMI will continue to work closely with CISAC and our global society partners to provide support for creators in Ukraine during this extremely challenging time.

BMI's efforts to demonstrate and promote the value of music were reinforced this year by successfully bolstering key partnerships, both domestically and internationally.

DIVERSITY, EQUITY & INCLUSION



To celebrate Women’s History Month, in partnership with our Women @ BMI ERG, Sandy Taylor hosted a fireside chat with Gloria Steinem.

BMI continued to strengthen our commitment to our critical diversity, equity, and inclusion work this year through multiple impactful initiatives that drive inclusive culture and enable team members to perform at their optimal best.

The Company was pleased to expand the DE&I team last summer, adding a DE&I Analyst to further support our efforts. Throughout the year, Senior Vice President and Chief DE&I Officer, Sandy Taylor, conducted a series of important meetings in which our DE&I objectives and goals were presented to each department at BMI. These sessions built on our momentum from the previous year, outlined the benefits behind our efforts, and shared information about current and future DE&I plans.

In a first for BMI, the DE&I team launched six Employee Resource Groups (ERGs) in January 2022: BMI Family, Women @ BMI, BMI Pride, BMI Mosaic: AAPI Network, BMI Mosaic: Black Network, and BMI Mosaic: Hispanics & Latinos Network. ERGs are volunteer-driven and sponsored by BMI to foster a diverse, equitable, and inclusive workplace aligned with our company goals and values. The groups are led by BMI team members and overseen by executive sponsors. Everyone at BMI is highly encouraged to join all the ERGs to learn more about the experiences and cultures of others, connect with those of similar backgrounds,

and provide support. To date, we are excited to share that nearly 40% of the Company has joined one or more ERG.

Additionally, the DE&I team hosted many informative and inspiring fireside chats and events throughout the year. These included celebrations of Hispanic Heritage Month, National Disability Employment Awareness Month, Asian American and Pacific Islander Heritage Month, and Pride Month, among others. In recognition of Mental Health Awareness Month, the DE&I team was delighted to introduce the Calm app as a free year-long subscription benefit to all team members. Notably, the DE&I team invited significant figures to participate in illuminating virtual conversations, among them, activist Gloria Steinem for Women’s History Month, and award-winning BMI affiliates BeBe Winans, who also serves as a DE&I advisor for BMI, and Sir the Baptist for Black History Month. All of these events were well-attended and spoke to the continued interest that BMI has in fostering a diverse, equitable, and inclusive work environment.

DIVERSITY, EQUITY & INCLUSION

NEARLY 40% OF THE COMPANY HAS
JOINED ONE OR MORE EMPLOYEE
RESOURCE GROUP:

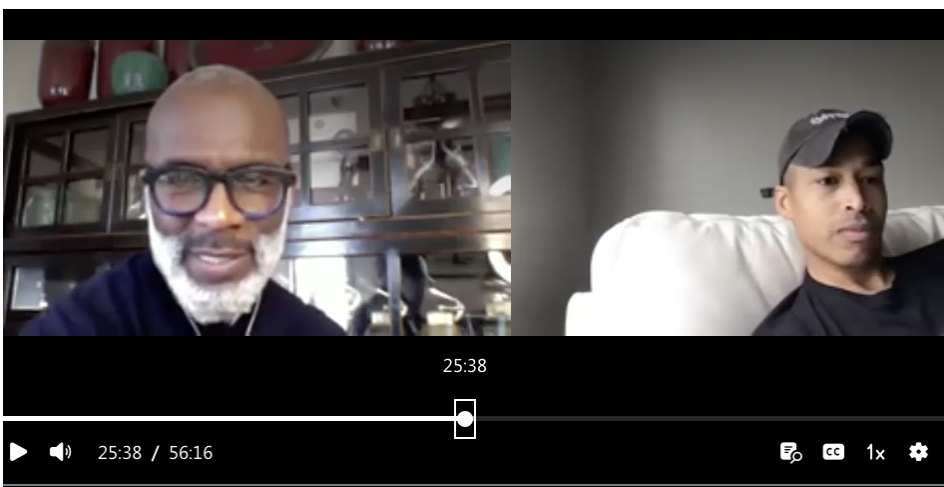


The importance of allyship was reflected in BMI's new Speak Up campaign, a series of events dedicated to further evolving inclusivity and support in the workplace. While this is a year-round focus for BMI, April has been designated as a key month for this programming. The DE&I team hosted allyship training this year, as well as a panel with several ERG executive sponsors sharing personal challenging experiences and the power of allyship in overcoming these difficult instances. BMI also held a fireside chat with Gospel legend BeBe Winans and GRAMMY-winning singer/songwriter Rob Thomas, in which the topic of discussion was "More Alike Than Not," with guests sharing insights on how to achieve meaningful impact as an ally.

Taylor's DE&I expertise was further demonstrated last fall when she moderated a panel of industry executives for the Association of Independent Music Publishers (AIMP). The panel's topic was "Leading the Diversity, Equity, and Inclusion Challenge: Fostering Change" and featured a candid conversation on how to guide and craft diverse and inclusive cultures within the music industry. This thought-leadership opportunity expanded BMI's visibility in the DE&I space.

The highly anticipated launch of the Company's new intranet, Inside BMI, brought with it an exciting and brand-new DE&I center, which keeps everyone informed about upcoming DE&I events, provides important resources and news, showcases past events in a dedicated archive, offers detail on how to join each ERG, and highlights BMI's volunteer program. Team members are exploring this robust content, which will be frequently updated.

Throughout the year, BMI made significant strides with our DE&I progress and we are committed to building on these vital efforts as we move forward.



Gospel legend Bebe Winans and Sir the Baptist held a fantastic discussion about the history of Black music and how it has impacted our industry and culture.

PROTECTING THE FUTURE OF MUSIC

BMI intensified our advocacy efforts this year in seeking fair compensation for creators and copyright owners whose music is publicly performed.

On the legal front, we have been laser-focused on critical rate court activity with the North American Concert Promoters Association (NACPA) and the Radio Music License Committee (RMLC). Concurrently, BMI continues to educate lawmakers both on Capitol Hill and in state legislatures on the importance of strong copyright protections and fair compensation for songwriters, composers and publishers. These legal and legislative endeavors aim to protect the profession of songwriting, safeguard the livelihoods of our affiliates and foster the ongoing creation of new music.

RATE COURT ACTIONS

BMI's rate court action against the North American Concert Promoters Association (NACPA) continued this year, with BMI seeking rates for live concerts that more fairly reflect the value our affiliates' music brings to the U.S. live concert industry and are more in line with global models. To recap, BMI has historically received between 0.3-0.15 percent of ticket

sale revenues for NACPA-promoted events, depending on the size of the venue. BMI is currently seeking an increase in our rate to 0.8 percent of revenue for all venues regardless of size, with revenue defined to include VIP seat fees, ticketing fees to the extent received by promoter, and ticket sales on the secondary market, if put on sale by the promoter.

Our objective is to secure a rate that not only better reflects the value of the BMI repertoire, but also captures the various ways the modern promoter monetizes concerts. We remain confident that our position will be seen as reasonable by the Court.

BMI is also immersed in rate court activity with the radio industry. In June 2022, the Radio Music License Committee (RMLC) brought an unprecedented joint action against BMI and ASCAP seeking rate determinations for both PROs from a single federal judge. The RMLC petition relies on a gross mischaracterization of the Music Modernization Act (MMA) that is contrary to the intent of the MMA and the



“

OUR LEGAL AND LEGISLATIVE ENDEAVORS AIM TO PROTECT THE PROFESSION OF SONGWRITING, SAFEGUARD THE LIVELIHOODS OF OUR AFFILIATES AND FOSTER THE ONGOING CREATION OF NEW MUSIC.

”

requirements of BMI’s consent decree. We are taking action to separate the RMLC case against ASCAP from the case against BMI and look forward to establishing the significant value of the BMI repertoire to the radio industry before the BMI rate court. Although we are hopeful that the RMLC will come to recognize the value of the BMI repertoire, we will always take the necessary steps to protect our creators’ and copyright owners’ work and livelihoods.

COPYRIGHT ROYALTY BOARD UPDATE

On July 1, the Copyright Royalty Board (CRB) reached a new ruling that raises mechanical streaming rates in increments from 11.4% in 2018 to 15.1% in 2022. Though this 15.1% rate was set by the CRB back in 2018, Spotify, Amazon, Google and Pandora all appealed the ruling a year later, seeking lower rates. This latest ruling is a reaffirmation of the CRB’s 2018 decision and speaks to the possibility of increasing the value of songwriters’ and publishers’ overall contributions. The next CRB proceeding that determines mechanical streaming rates for 2023-2027 is currently underway.

LEGISLATIVE UPDATE

While copyright and music licensing issues have taken a less prominent role for the U.S. Congress this year, BMI continues to engage with lawmakers and stakeholders not only in Washington, D.C., but also in the various state legislatures around the country. Educating lawmakers about the importance of strong copyright protections and fair compensation for creators in a free market, as well as the basics of the music licensing system, is as vital as ever.

In one significant milestone, the House Judiciary Committee held its first ever hearing on the American Music Fairness Act (AMFA) in February 2022. This legislation would establish a public performance right for sound recordings on terrestrial radio, ensuring that artists and creators are paid when their music is played on terrestrial radio. While this legislation still faces an uphill climb to pass, the hearing marked important momentum on this topic.

BMI will continue to fight for our affiliates on Capitol Hill and in the state legislatures to champion strong copyright protections. While there may not be major legislative issues affecting our industry today, we are making sure we are ready for them tomorrow.

DISTRIBUTION & ADMINISTRATION

BMI's stellar songwriters, composers and publishers once again delivered the most-performed music worldwide across platforms, resulting in BMI's unmatched distribution success.

This year, the Company distributed and administered a landmark \$1.471 billion to our affiliates, \$136 million more than last year. This figure is comprised of \$1.422 billion in traditional distributions, plus \$49 million in distributions as a result of direct deals between BMI publishers and digital service providers that BMI administers on their behalf. The latter number is \$36 million less than last year because certain licensing partners have decided to forego direct deals and have come back to BMI to handle their licensing needs. For the seventh consecutive year, BMI's results represent the highest reported public performance royalty distributions of any music rights organization in the world.

This year saw the seamless implementation of our new accelerated distribution schedule, resulting in one distribution per calendar quarter, creating a more balanced payment schedule and reducing the gap between performance and payment. In order to transition to this new schedule, BMI made a one-time fifth distribution last November, consisting of royalties which would typically have been paid out in January 2022, which helped maximize our affiliates' royalties for that calendar year and minimize the financial impact of the pandemic. We are also pleased to share that BMI's February 2022 distribution was the largest in the company's history. These achievements highlight that BMI is distributing more royalties, faster than ever before.

BMI processed massive volumes of data this year with 2.23 trillion performances, up 13% over last year. Of that total, 2.21 trillion were digital performances, and over 260 billion of those were digital audio-visual performances, a 7% increase compared to last year. Over the past year, we incorporated new technologies, such as automation advancements to our Enterprise ID matching system, that allowed us to process trillions of performances in a highly efficient manner. These enhancements have enabled us to reallocate resources and seamlessly process larger volumes of data than ever before. Additional information on this topic can be found in our "Technology" section.

The digital distribution landscape also became much more diverse this year and we continued to see growth in evolving categories, such as fitness and gaming, among others. Outside of these markets, distributions this year were made for karaoke apps, music instructional apps, and media experiences like in-game virtual concerts. We are actively onboarding new sources across many markets, all contributing to the strength of our distributions to our affiliates.

BMI's licensed repertoire grew to 20.6 million works this year, a 10% increase compared to the prior year. Contributing factors included the creation of new works by existing songwriters and composers, but also the addition of musical works by over 100,00 new affiliates, bringing BMI's new total number of affiliates to more than 1.3 million.

There were a number of high-profile catalog sales this year, and BMI's Administration team was immersed in many complex details to meet the growing demand. As BMI's roster and repertoire

continues to grow and undergo changes in ownership and administration, it is increasingly important to provide greater marketplace transparency. Accordingly, BMI has continued to invest significant resources into Songview, the repertoire reconciliation engine that BMI and ASCAP jointly launched in fiscal year 2021. When it was unveiled, BMI and ASCAP had already reconciled a significant majority of all performed works. That has continued and unreconciled works have now been narrowed down to highly complex copyrights, less detail-rich works, and other rights scenarios that require more sophisticated rule-sets and supplementary efforts to reconcile. Subsequently, this year's efforts have been focused on continuing to improve the overall data quality of the underlying rights pictures and introducing and fine-tuning machine coding to sort through data elements on a more automated basis.

Moving forward, BMI will continue to make process improvements to benefit our affiliates and licensees, while reinforcing our commitment to industry-wide data transparency.



TECHNOLOGY

Innovation has always been a driving factor for BMI and this year was no exception.

The Company continued to make advancements to better serve the evolving needs of our affiliates and licensees. Throughout the year, BMI's Technology team made significant strides in optimizing our infrastructure, systems and operating processes to increase our capabilities and reflect the ever-growing scale of data management in today's music marketplace.

As noted in the prior section, a key focus of the year was ongoing maintenance and improvements to Songview. This first-of-its-kind project makes copyright data more accessible and more transparent for all our partners, which is a top priority for BMI. Additionally, our Technology team continued to migrate workloads off our mainframe and legacy systems into Azure, the cloud-based platform that is more economical, more flexible and requires low-impact maintenance.

We also continued to build out our Enterprise Identification System and added more digital sources this year. Improvements to the system on the digital audio side included the creation of a self-service feature that allows our business teams to onboard new data files for processing without IT assistance, which enables a more efficient use of resources. The system is continually being optimized and we are now able to process twice as much data as when it was first created. Performance match rates have also continued to rise due to changes that have been made to the matching engine. A form of machine learning is being used and we are now able to manually match twice as many performances as on the legacy system. There is also a new digital audio-visual component currently being added to this system that will

“
WE MADE
SIGNIFICANT
STRIDES TO
INCREASE OUR
CAPABILITIES AND
REFLECT THE
EVER-GROWING
SCALE OF DATA
MANAGEMENT IN
TODAY'S MUSIC
MARKETPLACE.

handle performance matching for data sent to us from film studios.

Another ongoing project for BMI is the building of the WPA, our new copyright administration system. It has been designed to process significantly more data than our legacy copyright system with the ability to “scale up” in the cloud to handle future growth. Data analytics and fraud prevention are core components of this new system. Moreover, the WPA will provide BMI the flexibility to nimbly handle changes in the music industry moving forward.

On the security front, this year we rebuilt 100 servers and implemented industry best practices of multi-factor authentication on a variety of new systems, all methods of protecting our systems and reducing the risk of cyberattacks. Throughout the year, the Technology department also educated BMI team members about security awareness and essential steps to take to protect sensitive data.

In collaboration with the Human Resources and Corporate Communications & Marketing departments, the Technology team delivered a highly anticipated new Company intranet called Inside BMI, which provides team members with tools, resources and updates, while inspiring connection and engagement through team-member focused content. A year of planning and development culminated in this dynamic resource that is newly organized to be much more user-friendly and includes several first-time features, notably a searchable team directory. In another first, our intranet is now able to be accessed from mobile devices. To further support our team members, the Technology team rolled out a new phone system this year, and moving ahead, we look forward to implementing a new WiFi system, both of which will streamline daily operations.

TECHNOLOGY

INTERNATIONAL OPERATIONS & TECHNOLOGY HIGHLIGHTS

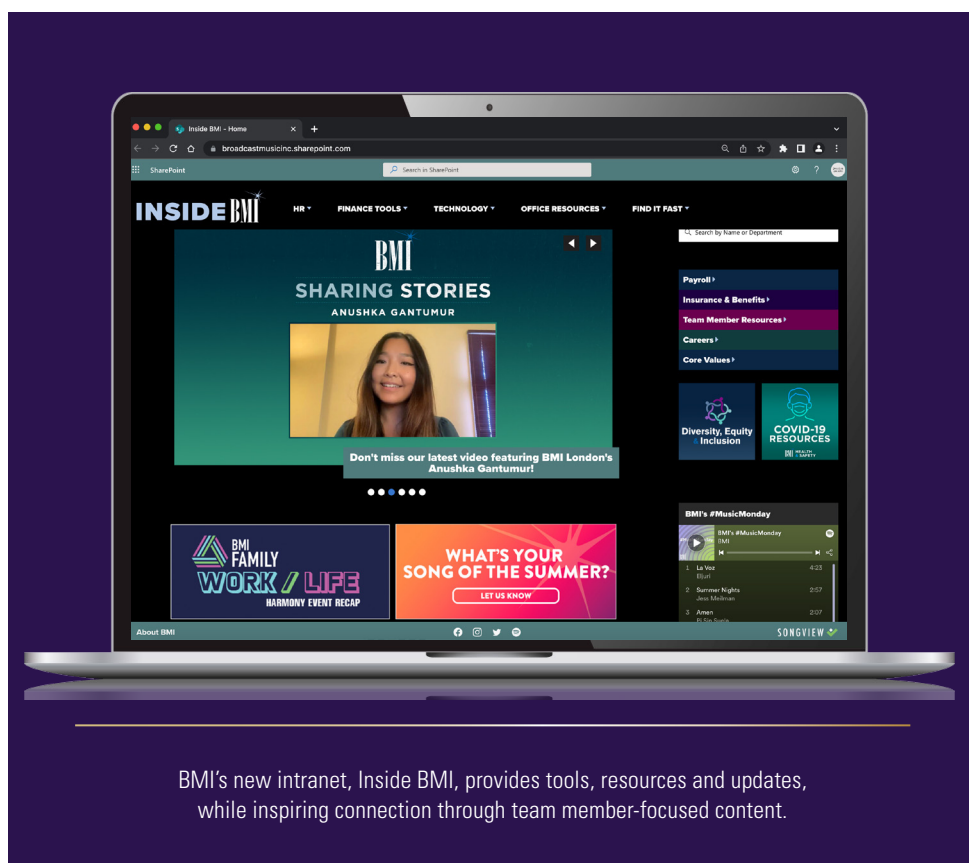
The globalization of music consumption and proliferation of music delivery services have challenged the music industry with the need to administer and accurately process billions of music related transactions and metadata annually. The popularity of the BMI repertoire worldwide means that BMI is among the top music industry leaders involved in addressing this growing challenge. As such, BMI's International Operations and Technology Group (IOTG) is actively engaged in several key CISAC and DDEX initiatives to collaboratively conduct full scale analyses of existing International Data Standards, Standard Identifiers, Data Exchange Protocols, Collaborative Business Tools and Business Process Workflows to optimize their efficiency and ensure their future readiness. The industry's widespread use of international standards and best practices will be essential for maximizing efficiencies across the music ecosystem.

The music industry's growing adoption of the International Standard Work Code (ISWC) has proven to be a strategic step in achieving tangible data processing efficiencies. To promote this strategy, BMI's IOTG is playing an instrumental role in preparing for the launch of the ISWC Allocation Service with our MusicMark partners. This will allow BMI publishers to obtain same-day ISWC numbers for all qualifying musical works registrations submitted via the MusicMark portal, which will simplify and streamline the music registration process.

In parallel, the IOTG is also focusing to ensure that BMI's musical works information made available to our sister societies and the broader

music industry meets the highest levels of data accuracy and standards. This sharp attention to data quality has enabled BMI to rank first once again in overall data quality among all CIS-Net contributors with an impressive 99.5% compliance with established international data standards.

Looking ahead, our long-term investment in innovation continues to position BMI at the forefront of music rights administration.





MUSIC MOVES OUR WORLD