

2021

*Annual
Report*

SACD

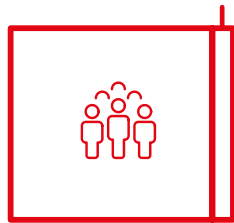
2021 Key Data

DISTRIBUTIONS

-1.5%

€199.7M

New author-members
1,960



↑
28,674
Authors

received royalties in 2021

Cultural action €4.6M

COLLECTIONS

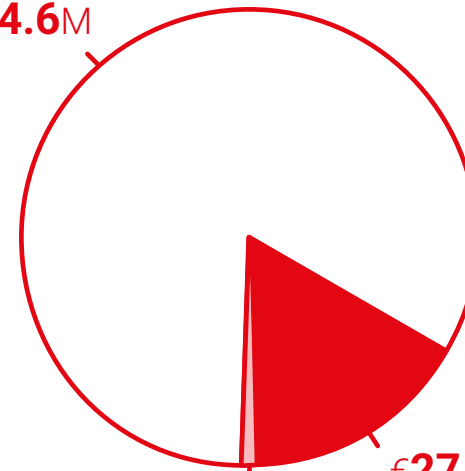
-8.3%

€192.4M



Audiovisual/Cinema/Web

€164.6M



Written works €0.4M

€27.4M
Performing
Arts

Social action €9.5M (including emergency funds)

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A word from the President and the CEO



Jean-Xavier de Lestrade
SACD President



Pascal Rogard
SACD Chief Executive Officer

In 2020, Covid-19 hit France hard, with the cultural world really taking a bruising. Any hope of turning the page in 2021 unfortunately quickly faded in the face of a pandemic that took firm hold and resulted in the ongoing closure of cinemas and theatres, the consequences of which affected many authors.

In order to react to this serious situation, we wanted the SACD to show solidarity, efficiency and commitment.

A Society of solidarity

With the Ministry of Culture and the National Music Centre supporting the case of authors in the performing arts, and the CNC supporting that of cinema, audiovisual and Web authors, we were able to obtain the extension of all the support measures created in 2020 as well as new support measures to compensate for the loss of income to authors. In total, during the year, we distributed €7.6m of exceptional and/or social aid to 2,500 authors, without, of course, charging administration fees. Often forgotten by social schemes, we also made sure that more than a hundred emerging authors received support.

Standing by authors also means providing them with assistance when faced with real difficulties accessing their social rights, which are even more incomprehensible during this period. The SACD teams pursued the personalised support system set up in 2020, and contacts initiated with the URSSAF and the CNAV (the National Pension Fund for Employees in France) made it possible to move forward on a number of individual cases.

An efficient Society

This is obviously essential, but it is even more so when the performing arts remain in a rut, a victim, amongst other things, of

closed theatres and sanitary measures. This had an impact on royalty collections: in the performing arts (€27.4m), they were down 19% after a 51% drop in 2020. However, thanks to the dynamic of resources from the audiovisual sector, overall collections amounted to €192.4m, a decrease of 8.3%. The Society's scrupulous management also made it possible to generate a management surplus of nearly one million euro. This surplus was returned to the authors via a refund of the statutory deduction.

Despite the crisis, our will has always been to pursue current projects undertaken to improve management. To accelerate the payment of royalties for works available on the platforms is one such example, as indeed is the Society's intent to reduce pending royalties (i.e., royalties awaiting distribution to authors), and the volume of such royalties fell for the 4th consecutive year for a total fall of 47% over three years. At the same time, the movement initiated in recent years with the renegotiation of agreements with Canal+, TF1, France Télévisions and M6 has been extended with new contracts concluded with Amazon, OCS and Disney+.

These negotiations have one point in common and one priority: to make better use of the SACD's repertoire, to take better account of its growing role in delinearised exploitation and the economic value of the works that the SACD represents.

A committed Society

Being the heirs of Beaumarchais is a happy and heavy responsibility that makes our Society a special organisation, standing upright and solid, collecting royalties, defending authors and their rights, and promoting cultural diversity. In these regards, 2021 was no exception. To the contrary, we fought and

won on many fronts, including, after four years of continuous engagement with elected and government officials, the all-important battle to save the TV channel France 4. Indeed, President Macron announced that the channel would be continued, and would also become the culture channel. The recent presidential campaign also initially included its part of demagogic proposals with some candidates even wanting to dismantle the public service. The SACD never stopped hammering home the fact that public broadcasting, which is a major partner of creation, must exist, develop and benefit from sustainable and independent funding.

Nor will we accept that tomorrow's audiovisual landscape be constructed without authors or against authors. Our mobilisation within the framework of the reform of France's audiovisual policy and the transposition of the European directives on copyright and audiovisual services, in order to make the voice of authors heard, has moreover borne fruit. Platforms now have obligations, unparalleled in Europe, to finance and broadcast original works. Authors' rights have also been strengthened: the law provides for the organisation of professional negotiations to better protect authors in their individual relations with producers; it also introduced the obligation to insert standard clauses in authors' contracts to protect their moral and economic rights.

In these difficult times, you can count on the SACD to be, more than ever the home place of authors. To accompany, support and defend you.

**Jean-Xavier de Lestrade
and Pascal Rogard**

1

THE SACD, AUTHORS AT THE SERVICE OF AUTHORS

1 THE SACD, AUTHORS AT THE SERVICE OF AUTHORS

The SACD was created in 1777 by a group of authors gathered around Beaumarchais. In the 18th century, the Comédiens du Français had a monopoly which forced each author of a play to offer to perform their texts, paying only a minimal fee in relation to the revenue generated.

Beaumarchais, after the success of *Le Barbier de Séville* (The Barber of Seville) was tired of the treatment inflicted on authors by the Comédiens du Français. A visionary businessman, he decided to gather around him other authors in order to have their rights recognised and invited some thirty of them to his table on 3 July 1777 for a dinner that was to become legendary.

He proposed establishing the first society of playwrights, then called the *Bureau de Législation Dramatique*. This was the founding act of the SACD, renamed as such in 1829.

Over the years, the SACD has opened its doors to composers, filmmakers, screenwriters, directors, radio writers, graphic designers, choreographers, street artists, circus artists, web creators and video artists, but its *raison d'être* has not changed, because there is strength in numbers.

If the SACD carries weight in negotiations, it is precisely because it represents a very large number and diversity of authors from different repertoires: audiovisual, animation, cinema, web, theatre, dance, street arts, circus, stage music, humour... Acting in favour of authors is in its DNA, its governance, its missions, its status as a non-profit civil society.

This is ensured by the co-management of a chairperson of the board of directors, an elected author, and a CEO who oversees the Executive Committee.

Board of Directors 2020-2021



President

Jean-Xavier de Lestrade
(television, director)

First Vice-President

Régine Chopinot
(choreography)

Vice-Presidents

Catherine Anne (theatre),
Louis Dunoyer de Segonzac
(music and dance),
Caroline Huppert (director, television),
Anne Rambach (scriptwriter, television),
Jean-Paul Salomé (cinema).

Delegate Administrators

Sophie Bocquillon (radio),
Marie-Do Fréval (street arts),
Fabienne Gambrelle (animation),
Gonzague (digital works).

Administrators

Nelly Alard (television scriptwriter),
Marc-Olivier Dupin (music),
Jacques Fansten (television director),
Jean-Paul Farré (theatre),
Delphine Gleize* (cinema),
Séverine Jacquet (scriptwriter, television),
Virginie Jallot (animation),
Marie-Anne Le PezenneC (scriptwriter, television),
François Rollin (theatre),
Rufus (theatre),
Pierre Schoeller (cinema),
Charles Tordjman (stage director),

Luc Dionne (President of the Canadian Television Committee),
Jean-Luc Goosens (President of the Belgian Audiovisual Committee).

Jérôme Thomas was co-opted by the Board of Directors to represent the circus within the SACD Cultural Action Committee and the Performing Arts Committee.

* Delphine Gleize was co-opted by the Board of Directors as a Cinema Administrator, to complete the mandate of Bertrand Tavernier, who passed away in March 2021.

1 THE SACD, AUTHORS AT THE SERVICE OF AUTHORS

Belgian Committee

President

Jean-Luc Goosens (film, television)

Vice President

Marie-Paule Kumps (theatre, opera),

Members

Gabrielle Borile (film, television),

Monique Mbeka Phoba (film, television)

Catherine Montondo (film, television),

Nadia Micault (film, television),

Luc Jabon (film, television),

Caroline Logiou (theatre, opera),

Marie-Eglantine Petit (theatre, opera),

Céline Beigbeder (theatre, opera),

Jérôme Roose (theatre, opera),

Laurent Van Wetter (theatre, opera),

David Chazam-Souchaud (radio sound),

Christian Crahay (theatre directing),

Michèle Anne De Mey (choreography).

Canadian Committee

President

Luc Dionne

Vice President

Benoît Pilon

Member of the

Executive Committee

Marie-France Landry

Television

Luc Dionne, Rafaële Germain,

François Gingras, Marie-France

Landry, Patrick Lowe,

Alain Chartrand

Cinema

Denys Arcand, Louis Bélanger,

Benoît Pilon, Johanne Prigent

Performing Arts

Normand Chaurette,

Marie Chouinard

The Supervisory Board 2021-2022

Rapporteur

François Luciani

Vice-Rapporteur

Frédérique Topin

Performing Arts

Moni Grégo

Nicole Sigal

Audiovisual

Gilles Cahoreau

Bruno Pérès

Role and missions

The Supervisory Board, composed of members elected by the AGM, oversees the activities of the management, administrative and executive bodies.

This Board was created at the AGM of 15 June 2017, pursuant to the ordinance of 22 December 2016 on the transposition of the European directive of 26 February 2014 on the collective management of copyright and related rights. The Supervisory Board has a three-fold mission:

- Monitor the activities of the Board of Directors and the General Director, with a focus on supervising the implementation of resolutions voted by the AGM, including, in particular, the general policies adopted by the AGM with regard to the distribution of royalties, deductions applied to royalties, investment and risk management, and the use of non-distributable funds;
- Exercise the powers delegated to it by the AGM, in particular in the field of real estate (acquisition, sale or mortgage of all immovable properties), the creation of subsidiaries, mergers and alliances, the acquisition of equity interests in other entities, and, lastly, the provision of loans, borrowings and other guarantees;
- Issue an opinion on any refusals by the SACD services to grant information requests from author-members.

Executive Committee

Chief Executive Officer: Pascal Rogard

Secretary General: Patrick Raude

Members

Sandrine Antoine, Véronique Aubergeon, Pierre-Emmanuel Bourgoïn,

Linda Corneille, Christophe Dubois, Marie-Noëlle Guiraud, Yves Le Coënt,

Géraldine Loulergue, Guillaume Prieur, Élisabeth Schlittler (Canada),

Hubert Tilliet, Catherine Vincent, Frédéric Young (Belgium).

Summary of the Supervisory Board's report

The Supervisory Board submitted its 2021 annual report to the Annual General Meeting. In a nutshell, the report focused on three positive developments. Firstly, the report notes, “over the past two years, the SACD managed to get through the Covid crisis by deploying efficient measures to manage personnel». In addition, [the Society] “worked closely with authors in difficulty due to the Covid crisis, especially in the performing arts”. Lastly, it “was present in all areas of defence of authors, particularly with the Canal+, France Télévisions, TF1 and GAFA channels, by formalising agreements on the promotion of delinearised works”.

The Supervisory Board issued no reservations as to the general policy for the use of non-distributable sums, nor as to the general policy for the deduction of royalties. “The harmonisation of the rates of deductions made for borrowings from the public domain for audiovisual adaptations (...), which was voted by the Board of Directors on 6 May 2021, was implemented in 2021”, the Supervisory Board noted.

As regards the general policy on the

distribution of royalties, the Board noted that it was “regularly informed” in 2021 of changes to the royalties-distribution scale “intended to preserve consistency and balance in the remuneration paid to authors”. In fact, here, the Board is referring to the new scale to be used for series premieres as well as to changes made to the France Télévisions, OCS, SVOD scales prior to broadcasting the work on television, and to new scales for written works in a language other than French.

As regards the general risk management policy, and more particularly IT risks, the Board noted that the SACD carried out, “as a preventive measure, an IT security audit in order to have IT security experts verify its Internet accesses (public site, authenticated spaces, file exchange spaces, messaging, etc.). The conclusions of the audit were very satisfactory” and “underlined the high level of maturity in cybersecurity of the SACD’s IT teams and the high level of awareness of the employees”.

As regards operational risks, the Board noted that “the new ISO 9001 certification was issued on 18 March

2022 by AFNOR” with a very positive comment from the auditor, to wit: “the 7 principles of the quality approach are perfectly respected: general adherence to the approach and a highly committed management board; verification of all the activities of all the service providers; tools that allow perfect traceability; customer orientation and implementation of continuous improvement demonstrated at all levels”. In addition, the process used to collect and distribute royalties has been made more secure by implementing more checks and automatic processing. In the Performing Arts, the SACD carried out operations to “recoup outstanding royalties” combined with “once-off operations to minimise the drop in Performing Arts royalties, and to partially compensate for the loss of remuneration for authors”.

As regards the economic and financial risks, the Supervisory Board praised “the reactivity of the SACD in managing to adapt its organisation and its costs in the light of its level of activity during 2021”, having recorded a profit of 42 K€, a result which takes into account “a reimbursement of statutory deductions

of 906 K€, validated by the Board of Directors after presentation of the financial elements to the Budget and Financial Monitoring Committee.

Lastly, all 11 statutory reforms adopted by the Extraordinary Annual General Meeting of 25 June 2020 have been implemented, as well as those adopted by the Extraordinary Annual General Meeting of 28 June 2018, which remained to be finalised by the implementation of a procedure to cancel members who, on first joining the SACD, gave a commitment to declare a work but who failed to do so within 36 months. The procedure was ratified by the Board of Directors in January 2022. “In view of the responsibilities entrusted to it, it can be considered that the Supervisory Board had all the means necessary to carry out its mission”, the Board’s report concludes, before congratulating the SACD teams for “their remarkable work in favour of authors throughout this year”.

DEFENDING, SUPPORTING AND ASSISTING AUTHORS

Helping authors impacted by the Covid pandemic

Manage the ongoing Covid crisis given the absence of a real recovery... This was the challenge for the SACD teams and all authors during 2021. Any hope of seeing the health crisis disappear quickly gave way to a permanent “stop & go” with incomprehensible closures of live venues at the beginning of the year even though no scientific data identified them as places of contamination. The performing arts continued to suffer, as did the cinema, with customers reluctant to return ever after the reopening. The audiovisual sector has emerged from the crisis in very good shape, even more so the platforms than the traditional channels. In this context, the SACD spared no effort in defending the authors of its repertoires.

The SACD obtained the extension, during 2021, of most of the support measures created by the State in 2020 to compensate for the loss of income of authors with the Society

bearing the cost of managing these funds and allocating the full amount to authors.

In total, during the year, €7.6m in exceptional aid and/or social programs were awarded to 2,500 authors. In the performing arts, most State support was allocated via the Covid Relief Fund and helped confirmed and emerging authors. At the very beginning of the health crisis, the SACD stressed the need to help emerging authors who, by definition, would not be in a position to prove a loss of income, so as to preserve the original works of the future. The SACD released an envelope from its funds to allocate about €600 to 65 emerging authors and continued this action by convincing the Ministry of Culture to allocate an amount from the Relief Fund to emerging artists.

Nearly 120 authors were thus able to receive support for a total of €381,000.

In addition, 1,270 authors were

supported via the Performing Arts Covid Relief Fund financed by the General Directorate for Artistic Creation of the Ministry of Culture for 2021 for an amount of around €4m. And 750 authors of sketches, one(wo)man shows and musical compositions were supported by the Relief Fund financed by the National Music Centre and partly managed by the SACD for a total amount of €2.26m.

The Covid Relief Fund in the audiovisual, cinema and web sectors, financed by the CNC, was extended to the first half of 2021 and helped 135 authors to the tune of 489 K€, while the Performing Arts Covid Relief Fund was renewed for the first five months of 2021, helping around 100 authors for an amount of 272 K€. The purpose of these funds was to compensate for the loss of income suffered by authors who, due to the particular conditions of their remuneration, did not have access to the Covid Relief Fund run by the French Government. The SACD

also provided advice and support, analysing the situation of each author applying for support and routing them, based on their personal situation, to the most advantageous fund.

Lastly, social aid and the various emergency funds provided additional support to 80 authors for a total amount of 165 K€.

Supporting authors in the face of the crisis also means preparing for the recovery and encouraging creation. Here again, the SACD obtained new commitments from the Ministry of Culture: funding of €120,000 for the Fonds de Création Lyrique (Opera Creation Fund) €50,000 for the new fund to support writing for the private theatre sector initiated by the SACD, and the unprecedented implementation of a call for commissioned works for contemporary writing for public theatres. These support measures, introduced in 2021, will be renewed in 2022.

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Securing Rights, Securing Contracts

More than ever, in this period of health crisis conducive to people preferring to access works via TV channels and online platforms, the contracts signed by the SACD are of capital importance for authors whose remuneration is proportional to the success of their works, allowing them to earn a living and create new works. For, as Beaumarchais, founder of the SACD, so rightly noted:

“before we can put pen to paper, we must first put fork to mouth”.

How do these standard contracts work? A share of the TV channel’s or platform’s revenue is billed in royalties by the SACD, which is responsible for then distributing these royalties according to terms decided by the Board of Directors entirely composed of elected

authors. All the distribution scales are available to author-members in their member space, as are all the distribution rules. In addition, the number of views of the works on the platform is clearly indicated to the authors on their Royalties statements, and will remain so. All contracts are subject to the same obligation of confidentiality.

Several important contracts were signed in 2021 and early 2022, with the SACD, in conjunction with the ADAGP (Society of Authors in the Graphic and Plastic Arts), negotiating its contracts with broadcasters and platforms, in order to better take into account the value of the repertoire that the Society represents, in particular with regard to the growing importance of the repertoire in delinearised exploitations and the economic value of the works represented by the SACD.



The contract for the M6 group channels was signed at the end of March 2022 by the SACD alone. The agreement provides that the SACD will be able, as it does for the other channels, to collect the royalties owed by M6 to the ADAGP. The agreement, concluded for 5 years, will remain effective even in the event of a merger with TF1.



In addition, the SACD concluded a new standard contract with the OCS bouquet at the end of December as well as with TV5 Monde for the global declinations of the channel and delinearised activities (TV5 Monde, Tivi5 Monde and delinearised catch-up television and videos financed by advertisements). A new standard contract regulating the 2018-2020 period was also signed in 2021 with Antenne Réunion and another with the television programme distributor Molotov, whose service is based on a freemium model: free access, notably to free DTT channels, as well as subscription offers for pay channels and services. This agreement will apply retroactively from the launch of the platform in July 2016 until the end of 2022.



Negotiations on the extension of the Amazon contract, which expired on 1 January 2022, are still ongoing, bearing in mind that the SACD signed a contract in January 2021, with retroactive effect from December 2016 when the platform was launched.



The contract with Disney+ was signed at the end of November 2021 and is retroactive to the platform’s launch in April 2020.



The SACD and YouTube also renewed their agreement at the beginning of 2022 concerning the availability of works by SACD member creators on the video platform.

Ongoing negotiations

Negotiations were launched with several operators who have never signed a contract with the SACD, such as Meta (Facebook) and TikTok. Preliminary contacts with HBO Max have taken place and SACD negotiators are confident that a contract will be signed when the platform is launched in 2023.

Building the audiovisual landscape of tomorrow, in the interest of authors

As regards defending authors, the year 2021 was marked by committed advocacy actions and successes. The first success is significant: after four years of uninterrupted action aimed at French MPs and government bodies, the plan to end the France 4 channel has finally been halted. This youth channel – now also the culture channel – is the only guarantor of equal and free access to public service for all children in France.

Threats to public service broadcasting

This success is however marred by threats to the public service, especially in terms of its financing, moreover at a time when the property tax, which also served to collect the television licence, is being phased out all over France. Faced with such risks for the financing of the public audiovisual sector, the SACD defended the idea of funding to guarantee the independence

of this sector as well as a strong commitment to creation. The SACD believes that the best solution would be a fee charged to each taxable household regardless of actual ownership of a television, with the funds allocated directly to public companies and bypassing any State intervention.

In defence of public service broadcasting, the SACD was also one of the few organisations to publicly denounce the plans of several candidates, including Marine Le Pen, to privatise the public audiovisual, and to demand the setting-up of durable, ambitious and earmarked funding, a key issue in the 2022 presidential election.

While public broadcasting is a key element of our French and European cultural future, private operators also have an important place in cultural diversity, provided that they are powerful, able to invest in creation and resist the competition

from non-European operators with a global dimension. In this context, the SACD, in the course of spoken interventions before the Competition Authority, the CSA (now ARCOM), and the Senate's Commission on Media Independence, defended the existence and the need to be able to count on a strong private pole, with renewed and deepened commitments in favour of creation and its pluralism, centered around TF1-M6, whose merger project has been announced.

New protections

The SACD also defended the interests of authors and creation during the major reform of French audiovisual policy undertaken by the government over the last three years based on the transposition of the Copyright Directive, the Audiovisual Media Services Directive and the Cab-Sat Directive.

Very significant progress was made

in bringing in new protections for authors as regards the transposition of the Copyright Directive. In particular, the SACD convinced the government to take on two of the proposals put forward by the SACD, with the first one making compulsory to open professional negotiations between authors and producers when framing their contractual relations. The aim of the negotiations which have started for Cinema, Fiction and Animation is to rebalance the author/producer relation while giving authors more security and associating them with the financial success of their work via profit-sharing or indexing.

The SACD is an active participant in these discussions, which include: a guaranteed minimum remuneration; faster payment of royalties, profit-sharing or indexing; more precise definitions of the writing and development stages of projects.

The second SACD proposal pertains

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to an obligation to include, in each individual contract, a standard clause to make sure that the author's moral and economic rights are respected and that French-style copyright is not being circumvented. Any recalcitrant producers would be exposed to a double sanction: the producer would not be able to use its support account with the CNC for any work not respecting these rules, and the broadcaster, whether a television channel or a platform, would not be able to include this work as having contributed to its investment obligations.

Agreement on standard clauses

This new obligation, which reinforces both the moral rights and the economic rights of authors, was the subject of a professional agreement between authors and producers specifying the wording of these standard clauses. This agreement underlined the important role of collective management in the remuneration of audiovisual and film authors. These professional agreements, providing for the

insertion of standard clauses, were signed in September 2021 for Audiovisual and in October for Film. It took all of 3 years, strewn with pitfalls and hazards to obtain these advances. In the wake of signing these agreements, the SACD's legal teams updated all the contract templates made available to authors to include these clauses.

Moreover, the new legislation has generally made it possible to consolidate the intervention of collective management, which remains more than ever a tool of transparency and efficiency to the benefit of authors. As regards providers of video-on-demand, the law has in particular specified that these providers are obliged to transmit regularly, to authors' societies, the viewing data about works, without being able to object to this data being subsequently communicated to author-members. This clarification consolidates, from a judicial perspective, the transfer of viewing information from the platforms to the SACD, information that the SACD had obtained contractually since the

launch of the platforms. It also speeds up the transmission of these viewing reports and this has made it possible for the SACD to speed up the payment of royalties to authors.

In addition, thanks to the legislation, the SACD can now seek redress via the CSA (now ARCOM) in the event of non-compliance by operators.

Securing remuneration

In addition, the securing of remuneration for CMO author-members has been strengthened with the transposition of the Cab-Sat directive. As a result of much litigation over recent years challenging authors' rights, the purpose of the directive was to reiterate a legal truth: distributors and broadcasters are under the obligation to obtain authorisation from authors and therefore pay them for the exploitation of their works.

France transposed this directive which reinforces the entitlement of an author to receive non-transferable proportional remuneration by specifying the legal interpretation

which must prevail and which protects authors.

Lastly, support for audiovisual creation was strengthened by this new phase of regulation with the adoption of the ordinance for the decree concerning on-demand audiovisual media services. The integration of platforms in the financing and broadcasting of original French and European audiovisual and cinematographic works is now established.

In this decree and upon completion of the consultation process, authors are now involved in the professional negotiations held to define the investment and broadcasting obligations of channels and platforms.

Appeal to the Council of State

Moreover, the SACD's proposal to focus the obligations of video-on-demand services on heritage works, including in particular fiction, animation and live performance, was imposed since the decree provides for an investment entirely dedicated

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to heritage works and representing at least 85% of original French-language works.

Despite this clear political will on the part of the government, as enshrined in the regulations, the CSA (now ARCOM) chose to draw up agreements with the platforms of a nature to restrict the scope of the platforms' commitments.

This means potentially €30m less for heritage audiovisual creation than the decree had foreseen. The SACD joined forces with the fiction and animation producers' unions, and intervened with the CSA to contest this downgraded policy. We also brought the case before the Council of State, petitioning it to annul the agreements signed by the CSA with on-demand audiovisual media services.

We also refused to sign the professional agreement formalising the new media chronology. Despite the progress made by the new media chronology as regards the exploitation window for platforms that finance cinema, we consider that to be contractually locked in for 3 years is unreasonable given the

rate of change in terms of audience uses and development of platforms; we believe that a shorter agreement duration is necessary. And indeed, the ministerial order extending this agreement provided for a review clause to this effect.

The TF1/M6 merger

The SACD was heard by the Competition Authority on the merger between TF1 and M6. We support the emergence of a strong private audiovisual operator of free-to-air channels capable of resisting competition from international platforms both in terms of access to advertising revenue and original works and the financing of such works. We support an operator capable of increasing financing and guaranteeing the diversity and pluralism of creation. We also put this message to the Senate Commission on Media Concentration in France.

Helping authors through the administrative jungle

The real access of authors to their social rights remains problematic in 2021, even if some progress was made, particularly as regards the right of authors to purchase their pension contributions. And, since the SACD brought the problems of authors to the attention of Prime Minister Jean Castex, there has been a real awareness of the problems of authors on the part of the government, and some initial progress, although still very inadequate, in health insurance and old age insurance, was made.

In order to ensure that the issues are resolved, we participate in the working groups organised by the Ministry of Culture as part of the Authors' Scheme ("Plan Auteurs") which aims, among other things, to ensure better access to existing social rights, to better take into account the diversity of authors' income through the implementation of the decree of 28 August 2020, to review the board of directors of the

social security system for authors and artists, to clarify and simplify the tax rules applicable to the different types of income received by authors, to resolve the dysfunctions of the URSSAF, to allow authors to purchase their pension contributions, which presupposes much faster responses from the CNAV (the National Pension Fund for Employees in France).

As regards the resolution of URSSAF dysfunctions, the SACD has maintained its system of personalised support for authors via a form available on their personal space. Each author-member can liaise with SACD specialists and, depending on the nature of the query, either it is processed by the SACD or it is forwarded to the URSSAF (Office in charge of collecting Social Security contributions in France).

In total, in 2021, we handled 209 URSSAF alerts, transferring 138 alerts to the URSSAF Limousin branch in charge of authors, following up on

2 DEFENDING, SUPPORTING AND ASSISTING AUTHORS

requests and responding directly to 71 requests from authors, thus helping them directly to resolve their issues. We also intervened to compensate for communication and/or organisational shortcomings of the social services, such as the payment of social contribution reimbursements by URSSAF. Authors had been told that payment would be automatic without any action on their part, but it turned out that authors had to send their bank details even if they had already been provided to URSSAF. The SACD informed all its members of the steps to be taken.

Our solid commitment led to progress for authors regarding real access to their social rights as per the decree of 30 December 2021.

The thresholds for access to sickness, maternity, paternity and disability benefits were lowered, as

was the threshold for opening basic pension rights for the validation of one or four quarters of pension contributions.

In addition, a new circular on the regularisation of elapsed contributions is expected in 2022. Initially planned for the beginning of the year, the circular had not yet been published at the time of writing. However, the authors' organisations were aware of its content, as it was announced by the Ministry at the very beginning of the year.

Given the current inability of the CNAV (the National Pension Fund for Employees in France) to process authors' requests to purchase quarters before they retire, the circular extends the mechanism for regularising elapsed contributions from which authors can benefit until 31 December 2025. It also improves

the system, in particular by providing clarifications about: the supporting documents expected by the CNAV, the deadline for the CNAV's response after receipt of a file, the role of the Agessa-MDA as a third-party certifier with regard to the documents provided by the applicants when they pose interpretation difficulties for the CNAV.

Moreover, the government is working to reduce the cost of regularisation for authors. In addition, a simulator is now available on the CNAV website where authors can assess the potential interest of buying quarters of pension contributions.

This should alleviate the concerns of authors whose questions and concerns in this regard have gone unanswered for many months. Naturally, the SACD teams will continue to monitor the situation

including the proper functioning of the mechanisms in relation with the author-members.

The SACD has also decided to reimburse authors who buy back quarters after 1 January 2022, to the tune of 50% of the cost they incurred up to a maximum of 5,000 euros per author.

Still on the subject of retirement, we set up individual consultations for authors with an IRCEC advisor. Despite the health crisis, a total of 62 authors were able to benefit from these appointments and obtained the relevant information about their retirement.

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Funding professional organisations

The SACD contributes to the financing of professional organisations that federate most of the authors of its repertoires and that are specifically dedicated to the defence of these same repertoires, doing so on a voluntary basis since 2001, with the funds coming from our general budget. This means that all SACD author-members, whether or not they be members of these organisations, participate in financing them via the statutory deductions from authors' royalties.

The envelope and the distribution of this funding are validated each year by the Board of Directors composed of authors elected by SACD author-members. In 2020 and 2021, despite the Covid crisis, the SACD maintained its level of commitment to funding professional organisations at €550,000, this budget allocation being one of the very few not to be affected by the drastic savings plan implemented.

In this regard, the SACD found itself facing a number of factors: increasing demands for funding; divisions in certain professional organisations; the creation of new professional organisations; and growing contestation over how the global envelope should be apportioned. All of which pushed the SACD Board of Directors to reform its support policy in 2019, and which was validated by the Annual General Meeting held the same year.

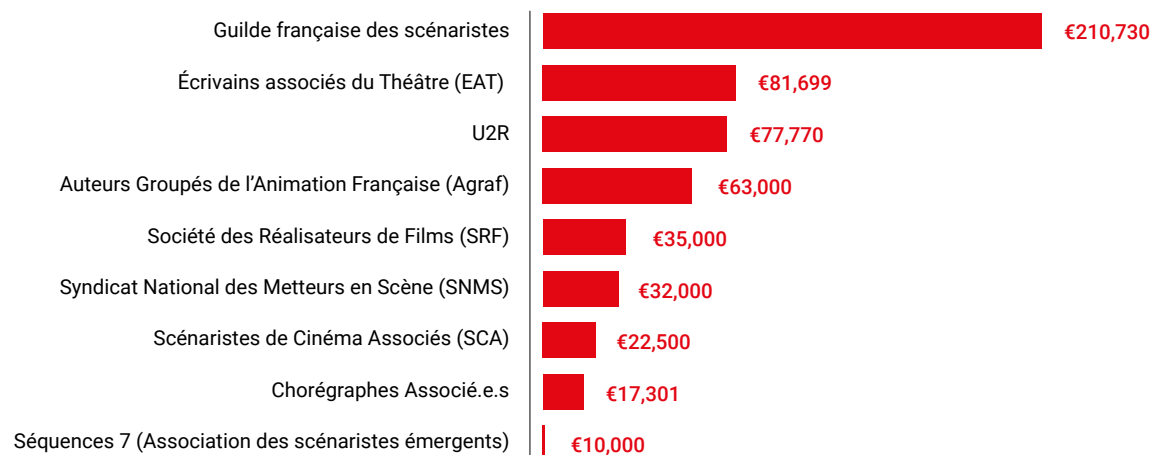
Specifically, even though the overall amount has remained the same, grants, since 2019, have been allocated on the basis of four weighted objective criteria, namely: the number of members of each organisation who have paid their dues; the number of works declared to the SACD by these members; the amount of royalties distributed by the SACD for these members; and the organisation's self-funding portion.

Each of these criteria is weighted by a fixed amount uniformly applicable to each organisation in the same repertoire, but different for different repertoires.

For organisations representing authors in Audiovisual, the weight assigned to each criterion is as follows:

- Number of SACD members: 20%.
- Number of works declared to the SACD: 20%
- Amount of royalties distributed: 50%
- Contributions-to-revenue ratio: 10%

Professional organisations funded in 2021



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For organisations representing authors in the Performing Arts, the weight assigned to each criterion is as follows:

- Number of members: 30%
- Number of works: 30%
- Amount of royalties distributed: 30%
- Contributions-to-revenue ratio: 10%

This objective rule makes it possible to follow, as closely as possible, changes in the representation of professional organisations.

The Board of Directors also decided to preserve the major apportionments between Audiovisual and the Performing Arts by keeping their respective weights unchanged. For the years 2021 to 2023 inclusive, €419,000 is being allocated to professional organisations in the Audiovisual, Film and Web sectors, and €131,000 to organisations in the Performing Arts.

As part of the reform, and in order to give an opportunity to reorganise to those professional organisations for which application of these criteria will lead to a reduced grant, the Board of Directors capped the post-reform loss of grant funding at 10%. For 2021, the Screenwriters' Guild ("*Guilde des Scénaristes*") benefits from the 10% floor. Increases are also capped at 50% per year. The envelope and the distribution criteria were presented and ratified at the SACD AGM in June 2020.

Provisional distributions for 2022

The Videographers' Guild ("*Guilde des Vidéastes*") able to prove three years of existence this year, will be one of the professional organisations benefiting from SACD funding.

The distribution for 2021 will therefore be as follows, subject to signing agreements with the SACD:

Audiovisual / Cinema

Guilde française des scénaristes	€189,657
U2R	€70,874
Authors Groupés de l'Animation Française (Agraf)	€67,816
Société des Réalisateurs de Films (SRF)	€35,000
Scénaristes de Cinéma Associés (SCA)	€30,517
Séquences7 (Association for emerging scriptwriters)	€13,563
Guilde des vidéastes	€11,573

Performing Arts

Ecrivains associés du Théâtre (EAT)	€82,603
Syndicat National des Metteurs en Scène (SNMS)	€32,000
Chorégraphes Associé.e.s	€16,397

In addition to the financial contribution, all professional structures supported by the SACD are entitled to one half-day slot each month at *La Maison des Auteurs*; the lounges, the screening room and the café are all made available to them free of charge upon request.

Efficient services despite Covid-related constraints

The health crisis has profoundly changed the way companies operate as well as interpersonal relations. It has also greatly impacted living and communication habits. The digital transformation enacted since 2015 by the SACD has proved its effectiveness right from the beginning of the crisis, and constituted the backdrop to which the SACD continued to invest in four areas: simplification of procedures, transparency, security and support for authors.

Our teams remained mobilised in this sense, whether on-site or in the office (when doing so was possible) or remotely (when doing so was mandated). The teams also adapted to the increased number of communications channels, as the teams interfaced with authors via telephone, email, forms, social networks, private messages or in the website. And indeed, responding to everyone within the framework of a moving and fluctuating work organisation, itself sometimes

partial, proved to be a real challenge.

360° Organisation

The 360° organisation put in place to field all requests and questions, regardless of the input channel used, remained relevant.

How to receive authors remained a central concern for the SACD at a time when it was recommended to avoid social interaction as much as possible. In total, over the seven months that the telephone service was open, the Authors' Department handled 13,300 phone calls and 13,200 e-requests (contact form and emails). A new telephony tool was deployed to rationalise and optimise call management, some aspects of which included SACD staff being able to process call from their home, sorting calls according to the caller's profile in order to prioritise calls from author-members, and personalising greeting messages to route callers to the information they needed.

With the health crisis, the SACD set up a system for making appointments both in the offices and over the phone, so as to remain operational while complying with the health rules imposed on businesses. Between May and December, more than 300 individual appointments with authors were organised, 65% of which were requested by authors by telephone. And, intent on meeting the challenges ensuing from the increase in the number of channels of contact, the SACD changed the opening hours of the phone reception of the Authors' Department so as to be able to devote time, outside these periods, to the management of e-requests and in-office appointments. This new organisation made it possible to improve processing times for e-requests.

Ongoing digital investments

Keen to ensure that the quality of online services be constantly improved, the SACD maintained its digital investments throughout

2021 with the aim of making it easier for authors to carry out ever more procedures online.

For several months, the teams have been working on broadening the procedure for the online declaration of works to include Adaptions. This follows on a comparable broadening of the procedure deployed in 2021 to include Comedy.

From now on, all memberships are done online; this reduces processing times and data-entry errors.

By automating and dematerialising these procedures, the SACD is able to reallocate its human resources to tasks with a higher added-value such as advice or individual support. A specific team was also set up to guide authors in the use of these online services.

The IT teams also carried out a technical upgrade of Piment, the SACD's core business application. And, whilst Piment does not add

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new functionalities, it extends the lifetime of our production tool by maintaining its compatibility with recent hardware and new versions of operating systems and other software used, thereby avoiding the need for very heavy investments such as those planned by other CMOs at the moment. The efficiency of our production tool, its very broad functional coverage and above all the workload required to build such a tool require investment in its longevity. Even more so with the development of digital tools and the necessary transparency of management and data.

Strengthening security

The SACD attaches the utmost importance to data security. Thus, in 2021, the SACD tested the ability of its IT system to withstand cyber-attacks, increasingly complex and increasingly frequent. This audit revealed a good level of data security that the SACD's teams are constantly working to maintain if not further strengthen. In addition, remote working, and, as a result, the physical dispersal of the Company's computers, require special protection measures which have also been implemented.

Legal aid

In 2021, all our Services and Departments continued to operate and the teams mobilised to respond to the very many legitimate questions and concerns. In this uncertain context, the Legal Service, critical for authors, handled more than 1,700 requests for legal assistance, including 440 about contracts, as was the case in 2020.

The SACD assists authors in negotiating their contracts to ensure that they assign their rights under the optimal conditions. The SACD intervenes in contractual negotiations to help emerging authors protect their rights, to ensure the availability of works and to promote practices that protect authors.

With regard to renegotiations, the SACD intervenes in particular on the post-decease estates of celebrated authors. Similarly, the SACD teams have adapted their presentation of copyright in specialised schools to the digital environment, bearing in mind that the "Focus on my first contract" services provided for emerging authors for many years by the SACD teams in festivals, are dematerialised on request.

The Web Unit

The Web Unit continued its work of prospecting, accompanying and outreach to web authors who are often less familiar with the SACD and authors' rights than is the case with authors from other SACD repertoires. Interesting fact: a significant proportion of these new authors end up declaring new works in the Society's other repertoires after a few years. The SACD is by far the leading Society for audiovisual web-based creators in terms of number of members and royalties distributed.

Expansion of the *Maison des auteurs*

The expansion of the SACD *Maison des auteurs* at 17-19 rue Ballu in Paris continued in 2021 and into the first half of 2022 for an opening planned after the summer.

An additional 420 m² will complete the range of services already available to authors with work spaces, meeting rooms, rehearsal rooms, residences, writing workshops, social and meeting areas, and a podcast recording studio.

The SACD Authors' House already

has 600 m² of creative space available to author-members at all stages of their projects, from writing to distribution, a convivial café for working, organising meetings, cocktails, read newspapers and a 72-seat auditorium for organising screenings, readings, symposiums, debates, press conferences, etc. as well as 4 meeting or co-working rooms, 10 individual offices and 4 places in the SACD library reading room.

The SACD also provides authors with two studios of 33 m² and 17 m² fully equipped for rehearsing, filming, recording or producing as well as a post-production station for editing and colour grading.

The SACD in Belgium

Covid was also a formidable challenge for performing artists in Belgium. Federal Deputy Prime Minister Pierre-Yves Dermagne introduced legal compensation intended to make up for the loss of revenue suffered by performers in terms of royalties and related rights. In December 2021, a total of €1m was paid to SACD members and non-members for cancelled performances. A second instalment was negotiated in early 2022.

The Belgian Committee, chaired by Antoine Neufmars and later by Jean-Luc Goossens, intensified its work throughout the year to provide cultural and social support to members significantly impacted by the health crisis.

In addition to this line of support, the SACD has invested heavily in the reform of social protection for artists within the WITA Federal Working Group.

Alongside numerous partners, we also actively participated in all the actions against the abusive measures taken by CODECO (meeting of the ministers of the different levels of power in Belgium) towards the cultural sector in terms of “health safety”. These actions made it possible to obtain a ruling from the Council of State suspending the measures to close cinemas at the end of 2021, with these measures found to be unnecessary, ungrounded and discriminatory.

In collaboration with the audiovisual inter-profession, the Belgian Committee contributed to opening and advancing the dossier on the upward revision of the contributions of operators and platforms in application of the SMAD directive (pertaining to on-demand audiovisual media services) with the aim of bringing French-speaking Belgium closer to the French model.

In terms of negotiations with broadcasters, discussions on the new tariff for broadcasting and direct injection continued throughout 2021, with various advances, notably with Orange Belgium, VOO, Telenet and M7. The transfer of the ALCS “distribution” mandate, from Sabam to the SACD, made it possible to

significantly increase the value of the royalties of this major British company, a long-standing partner in other fields.

Agreements were concluded with DPG/VTM for its broadcasting activities and with Telenet for its premium bouquets. An agreement was concluded with Streamz, the new Flemish platform.

The renewal of the contract with VRT remains blocked by the unrealistic demands of the Flemish public service, despite reasonable proposals from the SACD and its Flemish partner DeAuteurs to take into account an ever-increasing use of its repertoires.

The SACD in Canada

Covid-19 has caused great financial and personal upheaval for authors. The prevailing context requiring great adaptability combined with the perspective of an uncertain future in particular, have generated much weariness and questioning among many authors, in particular in the Performing Arts, a sector particularly affected by the pandemic for the past two years.

Initiated in 2020, the revision of two key laws for the cultural sector continued up to federal elections in September 2021, and then resumed in December with new persons. The 30-year-old *Broadcasting Act* urgently needs to be amended; it should be replaced by a law that is adapted to the digital age, to all the new forms

of exploitation of works and which forces the web giants to contribute financially to the Canadian cultural ecosystem so as to ensure an equal playing field with the GAFAM.

The review of the *Copyright Act* undertaken in 2019 led to three consultations with the Heritage and Industry departments and for SACD, to the drafting and tabling of three briefs on *Extending the duration of protection of authors' rights*, *Online intermediaries* and, lastly, *Artificial intelligence and the Internet of Things*. The SACD has also been very involved in the work of the Coalition for the Diversity of Cultural Expressions and activities related to the legislative review of the two laws.

We also negotiated the renewal of several contracts and concluded new agreements with conventional channels (TVA and TFO), specialty channels (Remstar, Bell Media, Vidéotron) and digital platforms (Illico, Crave).

Over the past year, the SACD supported the Scriptwriters Union and the Directors Union in negotiating collective agreements with Producers Unions which have become increasingly resistant to collective management and indeed to authors' rights in general, due to the exploitation of works by digital platforms.

In terms of cultural action, once again this year, thanks to the virtual

mode, all the programs could be maintained. Thus, the *Un projet, trois feedback* workshop saw authors spending a morning each with three colleagues from different disciplines to discuss their film project. Two emerging scriptwriters joined the *Pour la suite du monde* workshop, where they are accompanied by authors with more than 20 years of experience.

Several SACD grants were also awarded, bearing in mind that the number of projects received did fall off, especially in the Performing Arts, put on hold too often over the past year.

Europe and internationally



The French Coalition for Cultural Diversity

The French Coalition for Cultural Diversity, which federates 50 professional organisations from the world of culture and is chaired by Pascal Rogard, CEO of the SACD, who acts as its secretariat, took an active part in the work of the Conference of States Parties to the UNESCO Convention on Cultural Diversity, mobilised within the Federation of Coalitions for Cultural Diversity and took part in the international initiative taken by the Government of Canada within the multipartite working group on the diversity of online content.



The Society of Audiovisual Authors (SAA)

Within the Society of Audiovisual Authors (SAA), which represents 31 CMOs and of which Patrick Raude, Secretary General of the SACD, is vice-president, the SACD has ardently defended a European regulation favourable to creation and to protect and develop authors' rights.

We participated in the working groups initiated by the SAA, where two of the most noteworthy take-aways were quantifying the added-value of the aid programs rolled out by CMOs in Europe to help authors during the Covid-19 crisis and fostering exchanges in regards to good practices in the areas of diversity and gender parity.



The International Confederation of Societies of Authors and Composers (CISAC)

As regards the CISAC, of which Patrick Raude is vice-president, the SACD has continued its reflection on its long-term strategic positioning to a backdrop of declining royalties, especially in Music and Performing Arts. In Audiovisual, the main challenge is to promote the adoption, worldwide, of a unwaivable proportional remuneration for authors.

In addition, the Dramatic, Literary and Audiovisual Technical Committee of the CISAC, chaired in 2021 by the SACD, updated and adopted new versions of the standard exchange formats between the CMOs that are CISAS members: CELF (documentation request list) and CDF (Common Distribution Format). The Committee also discussed and adopted good practices to deploy when conflicting claims as to rights.

These good practices are based in particular on the documentation and use of IDA, an international database of audiovisual works, administered by the SACD on behalf of CISAC and all audiovisual societies worldwide. In mid-2021, an IT overhaul of IDA, scheduled for completion in 2022, was launched to optimise and secure the application and guarantee scalability over the next few years. In addition, the year 2021 saw the SACD initiate a longer-term strategic reflection on the development of new functionalities pertaining to IDA, always in the spirit of improving and rationalising interactions and exchanges between CMOs at international level.

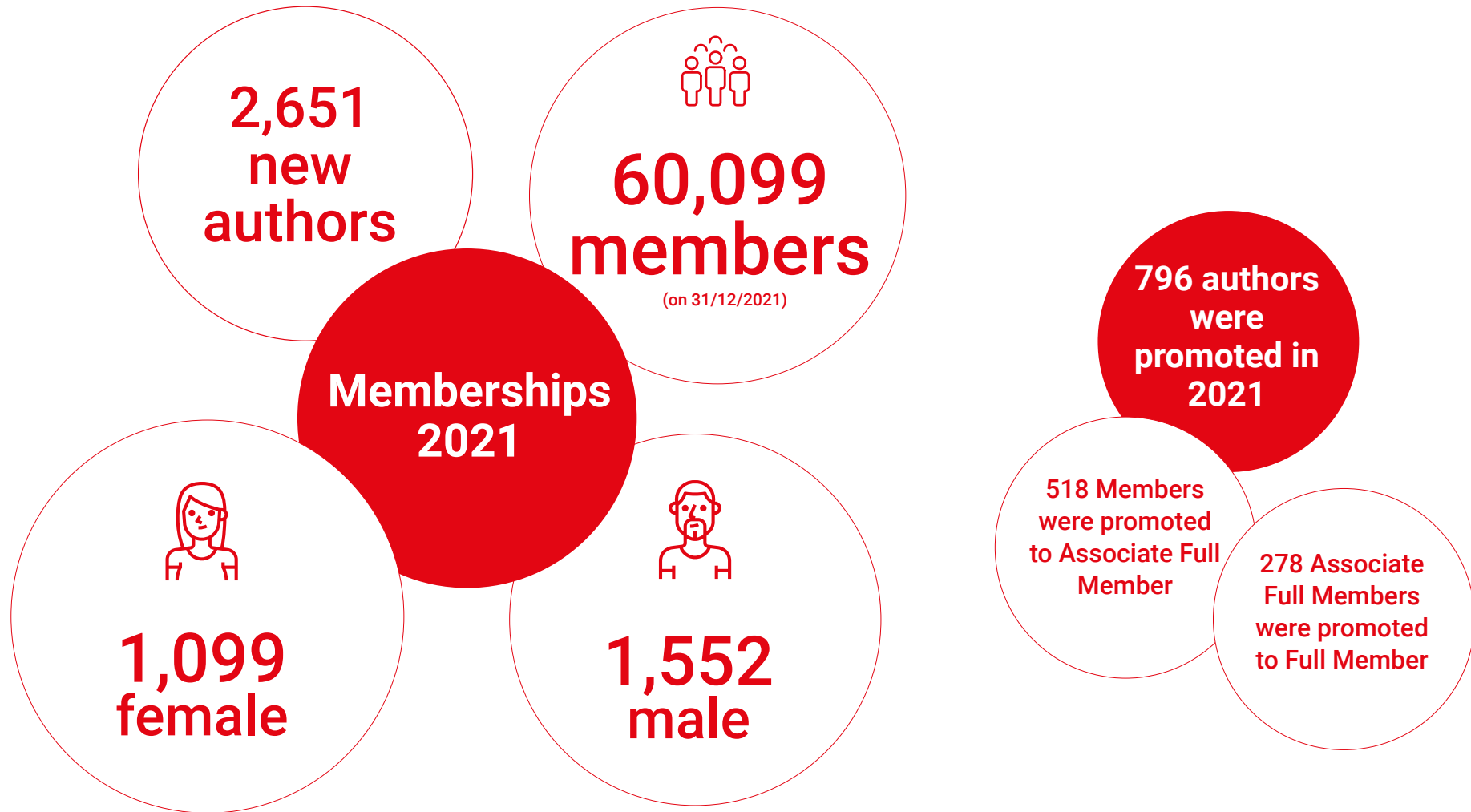
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ACTIVITY AND MANAGEMENT REPORT

Promotions and memberships 2021

New Full Members and New Associate Full Members

The SACD now has 8,817 Associate Full Members (+1.05%).
As of 1 January 2022, the number of Full Members stood at 11,296 (+1.55%).

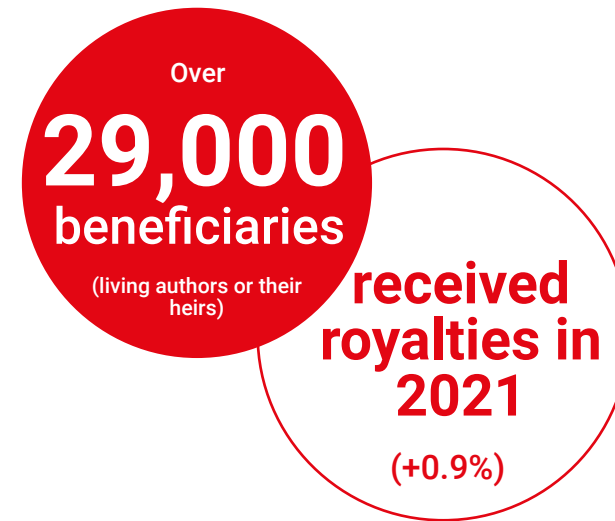


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Distribution of royalties to authors



Distributions of royalties to authors (€199.7m) fell slightly by 1% (€202.7m in 2020), this being entirely attributable to the sharp drop in the Performing Arts (-18% for a fall of €5.4m). Distributions increased by 1.6% in Audiovisual to €174.8m (€172.2m in 2020).



Breakdown of revenues by repertoire

(in number of authors)

	Performing Arts*	Audiovisual Cinema Web*	Multi-repertoire*	All repertoires combined*	%
Over €100,000	0	196	47	243	0.9%
€50,000 to €100,000	6	472	96	574	2%
€10,000 to €50,000	73	1,871	441	2,385	8.3%
Under €10,000	9,882	13,757	1,833	25,472	88.8%
	9,961	16,296	2,417	28,674	100%

* Authors or heirs receiving royalties.

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Collections in 2021



Collections 2021 – Amount & Sources

(thousands of euro)

AUDIOVISUAL, CINEMA, WEB		Change 2021/20
France	138,937,243	- 2.5%
Private copying levy	12,819,564	+ 2.5%
Standard contracts	124,129,412	- 3.1%
Individual contracts	1,988,268	+ 1.5%
Direct-collection countries	13,368,045	- 13.8%
Belgium	11,129,623	- 17.6%
Canada	2,238,423	+ 12.4%
Abroad	12,345,553	- 28.9%
TOTAL	164,650,842	- 6.1%

PERFORMING ARTS		Change 2021/20
France	23,297,436	- 17.9%
Paris city and region	7,127,453	- 21.5%
Outside Paris city and region	16,169,983	- 16.2%
Direct-collection countries	1,350,439	- 32.1%
Belgium	1,223,497	- 36.5%
Canada	126,942	+ 100.1%
Abroad	2,717,903	- 22.4%
Graphic publishing	7,655	NA
TOTAL	27,373,433	- 19.2%

WRITTEN WORKS		Change 2021/20
Reprographic Rights Belgium	111,018	- 36.1%
Reprographic Rights France	271,475	- 32.3%
TOTAL	382,493	- 33.4%

A healthy and robust financial situation

Even more so than in 2020, the 2021 financial year took place under difficult but controlled conditions. The recovery hoped for in 2021 did not materialise; indeed, to the contrary, the situation continued to deteriorate in the Performing Arts despite a strong rebound in activity in the fourth quarter as well as in Audiovisual in terms of amounts collected from public users affected by the health crisis.

Unsurprisingly, this is reflected in the Society's accounts which, thanks to very rigorous management, managed to generate a management surplus enabling the SACD to pay back, to authors, €0.9m in statutory deductions at the beginning of July 2022 for the year 2021.

Distributions of royalties to authors (€199.7m) fell by 1% (€202.7m in 2020), this being entirely attributable to the sharp drop in the Performing Arts (-18% for a fall of €5.4m).

A total of €24.7m was distributed in 2021 to authors (compared to

€30.1m in 2020) bearing in mind that royalties collected are distributed within the next fortnight at a rate of two distributions per month.

The total distribution in Audiovisual increased by 1.6% to €174.8m (€172.2m in 2020). In France, distributions grew by 3.3% (€4.7m) to €146.7m in 2021. Outside France, after an impressive increase of almost 26% in 2020, distribution fell by 7% to €28.1m.

Total royalties collected by the SACD in 2021 amounted to €192.4m, a fall of 8.3% compared to the previous year due to the collapse in the Performing Arts, where 2021 royalties fell by 19%, coming hard on the heels of a 51% fall in 2020. We are however confident that the Performing Arts will recover in 2022.

The health crisis, administrative constraints and associated closures of theatres strongly impacted the Performing Arts both in France and abroad. Collections in France amounted to €23.3m in 2021, a

decrease of 18%, this being the case both inside (-22% to €7.1m) as well as outside (-16% to €16.2m) the Paris area. In France, the Society received €3.3m in emergency aid from the State to settle unpaid invoices from private theatres, which made it possible to distribute royalties to the concerned authors and simultaneously reduced the debt of private theatre operators vis à vis the SACD. Abroad, collections from countries in which the SACD does not intervene directly decreased by 22% after a drop of 43% in 2020, while collections from countries in which the SACD intervenes directly (Belgium, Canada, Monaco) are down sharply (-32%) after a decrease of nearly 48% in 2020.

In Audiovisual, after a record year in 2020 (€175.4m), the 2021 collections came in at €164.7m (-6% or €10.7m), mainly due to the drop in royalties received from abroad (Italy and Switzerland in particular) and collected from public users by the SACEM, this of course being attributable to the generalised

closure of retail outlets. A delay in payment from France Télévisions (11 months paid 2021 compared with 13 in 2020) also temporarily impacted the overall amount of collections. If one excludes these non-recurring exceptional items, audiovisual collections are up by €3m (nearly 2%) thanks to the good performance of our standard contracts in France.

Abroad, collections for 2021 are down by 22% to €25.7m.

Overall Operating Revenue is slightly down (-1%) compared to 2020, due in particular to the 3% drop in deductions from royalties (statutory deduction and specific levy).

Miscellaneous Revenue also fell by 4% due to the Covid crisis. Revenue allocated to the ASR (supplementary pension scheme) fell due to the sharp drop (-23%) in revenue from the Performing Arts which usually provides around 85% of their funding.

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Revenue from Routine Operations from current management is up 11%, mainly due to the increase in expenses rebilled to the SCAM for Belgium.

Other Revenue rose by €323K, mainly due to an increase in memberships fees paid by authors and CMOs which compensated for the decrease in public domain revenue and unclaimed elapsed royalties made possible due to the decrease in pending rights.

Financial revenue in France and Belgium in 2021 amounted to €3.85m.

Cultural action revenue amounted to €4.58m (€4.97m in 2020) for an overall decrease of 8%, attributable mainly to the reduction in non-distributable royalties recorded as cultural action revenue. Specifically, decisive measures undertaken led to a sharp reduction (of almost 80%) in pending royalties allocated to the cultural action budget, which in turn led to an increase in the royalties paid to authors.

Operating Costs fell by 2% in 2021 (17% decrease in 2020); this was achieved by reducing the cost of purchases and external expenses (-9%) and of other operating expenses (-2%), englobing cultural action expenses, social action expenses for authors and other miscellaneous operating expenses.

After a decrease in 2020 made possible by opting for part-time working, personnel expenses for 2021 increased by 4% due to the gradual phasing out, as of June, of part-time working as the Performing Arts returned to form.

Depreciation and amortisation increased by 9% to €2.72m (€2.49m in 2020) due to increased depreciation on IT hardware and software, including, in particular, new developments done on the Piment IS. In addition, depreciation on real estate increased due to the renovation work currently taking place at 12 rue Ballu.

Distribute more and faster while cutting distribution costs

In 2021, despite the ongoing Covid crisis, the SACD continued its actions to boost the management of authors' royalties as measured through the criteria of efficiency, speed, transparency and cost. To offer the best service possible at the best cost has been a constant concern of ours for several years and remains despite the current, unprecedented context

A further reduction in pending royalties

The SACD's unrelenting focus, for some years now, on reducing pending royalties (pending royalties are royalties that cannot be distributed) continues to produce its positive effects, as we continually gain in efficiency in distributing the royalties that we collect for our authors.

After three consecutive years of frank successes, pending royalties fell again in 2021 by €7.4m to €17.1m, i.e., a cumulative decrease of 47%

over three years (€32.4m in 2018).

It should be remembered that royalties can become non-distributable for a host of reasons, frequently temporary in nature.

In order to deal with each of the specific case of pending royalties, the SACD has set up a global action plan requiring the direct intervention of its teams to manage issues pertaining to: retrieving signatures, locating missing documents, settling disputes, helping authors to finalise procedures, finalising memberships or declarations of works from its own author-members in France as well as author-members of foreign CMOs that the SACD represents in France, Belgium and Quebec.

Since the royalties in question should initially accrue to the concerned authors, it is only fair to return them via a reimbursement of the statutory deduction whenever, despite all best

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efforts made, the royalties remained pending for the maximum eligible period of 5 years and thus elapsed.

Further automation of audiovisual collective management

Driven, as always, with the intent to achieve a faster and more reliable distribution of royalties, the year 2020 saw the SACD continue to automate the end-to-end management of Audiovisual royalties from, with the integration, in a single information system, in France as well as in Belgium, of several essential bricks: breakdown of distribution networks in the packages of the channels concerned and reinforcement of controls and alerts for even greater security in the links between collection and distribution, mainly in terms of calculating unit values (provisional and definitive).

It should be remember that, when it comes to the distribution

of royalties stemming from the audiovisual sector, the SACD relies on the accuracy of the broadcasting and viewing data provided by the channels and platforms. Significant improvements have been made in recent years in terms of the time taken to distribute royalties.

In 2021, Netflix, Amazon and Disney+ under pressure from the SACD, agreed to provide broadcasting and viewing data each quarter. As a result, since the end of 2021, we have been able to distribute royalties each quarter as opposed to the previous twice-yearly rate.

And, going forward, all new contracts negotiated assume quarterly distribution, as has been the case of several years for YouTube, where the royalties are distributed less than six months after the works are viewed.

On the traditional channels, distribution times vary widely and the SACD is working to shorten

them. For example, TF1 royalties are distributed monthly, approximately two months after the work is broadcast, whereas M6 royalties are paid six months after broadcast. Authors can however, as of the day following the broadcast of their work, request the SACD to advance the amount of the forthcoming royalties. To receive their royalties quickly, the SACD grants advances to those who request them the day after the broadcast of their work.

Audiovisual distribution scales constantly modernised

At the same time, the SACD's teams analysed the royalties-distribution scales, as we do every year, and submitted to the Board of Directors a number of corrective measures needed to ensure a fair balance in authors' remuneration.

Thus, the distribution keys for adaptations of works in the public domain have been harmonised at

20% for adaptations and at 10% for borrowings from the public domain, regardless of the discipline. A new degressivity rule was added to the SVOD scales and a new scale for directors of TV fiction series was created. The first director of a fiction series of more than 10 minutes can claim a share of rights on all subsequent episodes of the series in his/her capacity as the director of the series premiere. The associated royalties vary from 7% to 1% depending on the format and the number of episodes. Voted in June 2021, this scale will apply to new series broadcast from 1 July 2022.

At the SACD, the royalties-distribution scales are discussed and voted by the Board of Directors, which is composed solely of elected authors, on the basis of the projections and analyses done by our teams. The scales are all made available to authors in their personal space on the website www.sacd.fr.

Deductions scale

The deductions on royalties finance, along with the annual membership fee of 40 euro, the many services and support mechanisms we make available to author-members: services for the collection, distribution and payment of royalties to authors; improvements and developments relating to these services; the negotiation of framework contracts with broadcasters and platforms, actions to defend authors; relations with social organisations; the SACD Maison des auteurs (offices, projection room, group work spaces or meeting rooms, etc.); the SACD Studio (filming and editing spaces); advice and support on contracts, legal, tax and social advice; end-of-career support; the development of new online or physical services; simplification of procedures; transparency actions; changes to the IT system used to manage royalties and related updates to protect authors' data... in short, the full pallet of services rendered by the SACD.

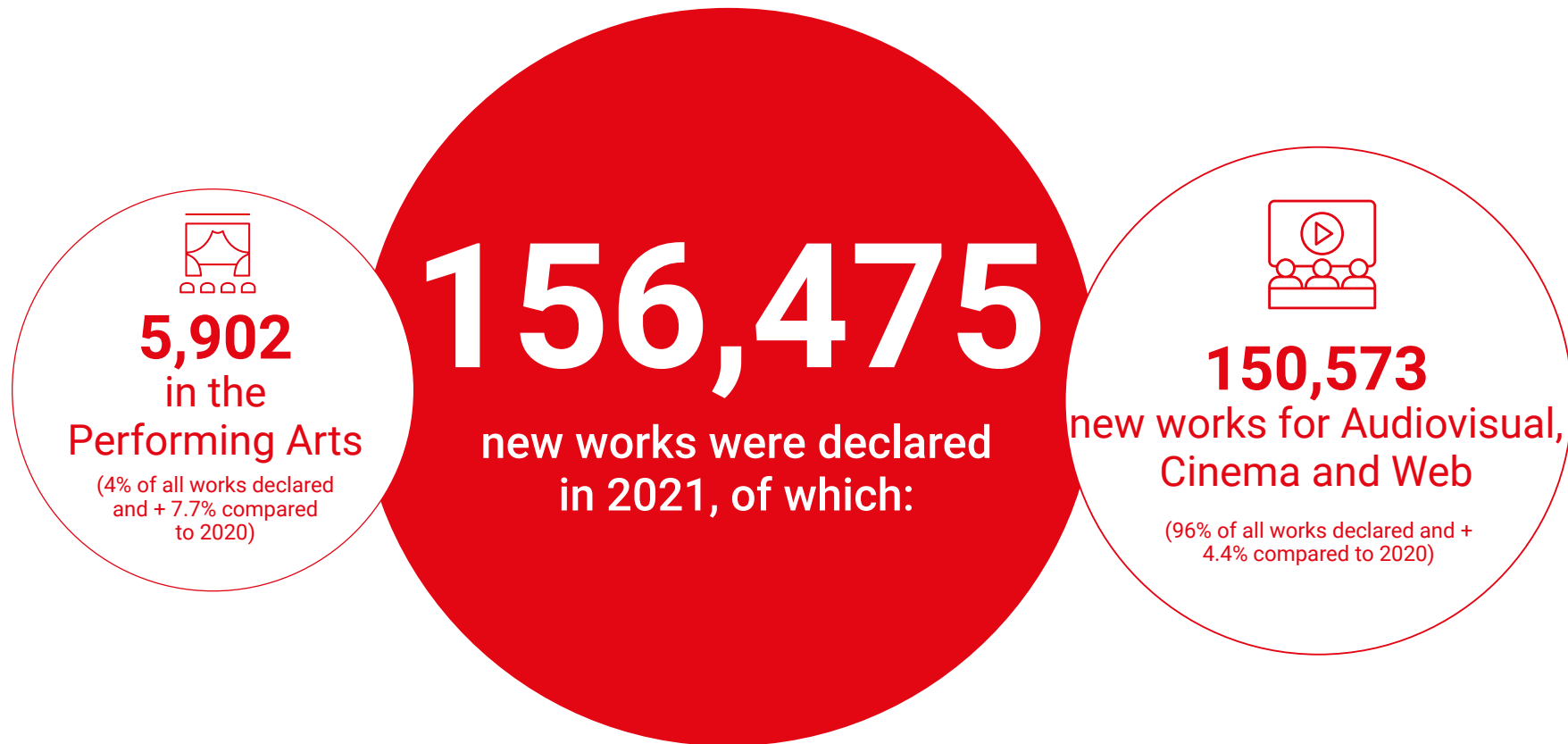
Deductions on royalties for 2021

Specific Deduction	0,5%
Performing Arts (professional)	
Paris	9%
France (excluding Paris), Belgium, Luxembourg, Canada, Monaco, French Overseas Territories	11%
Switzerland, Abroad	7%
Commissioning allowances	2%
Audiovisual	
Broadcasting rights (France)	10,6%
Private copying levy (France, Belgium)	11%
Broadcasting rights (Belgium, Canada, Luxembourg)	11%
Broadcasting rights and Private Copying Levy (abroad)	6%
Videograms and phonograms	3%
Written Works	
Reprographic rights (Belgium)	5%
Reprographic rights (France)	7%

The annual membership fee

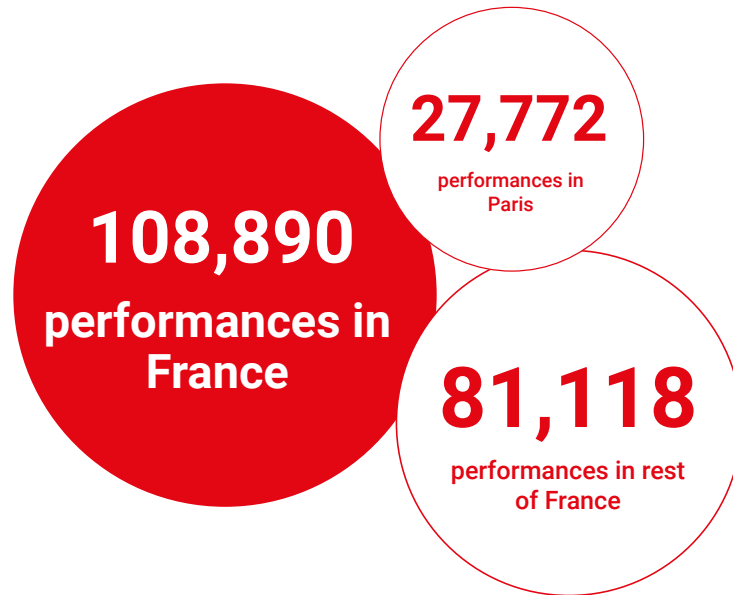
The annual membership fee paid by each author is used to finance the fixed costs of the Society; this was kept at €40 in 2021, and has been unchanged for over 15 years.

Key figures for repertoire use



3 ACTIVITY AND MANAGEMENT REPORT

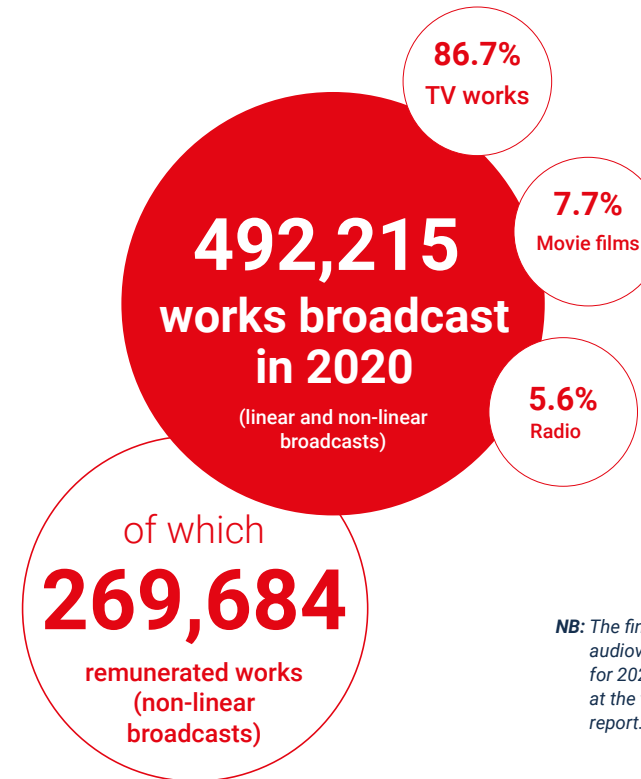
The Performing Arts



Number of performances in Paris city	
Amateur	416
Professional	27,356
Private theatres	14,364
Unionised subsidised theatres	240
Non-unionised subsidised theatres	1,002
Independent companies and others	11,750
TOTAL	27,772

Number of performances in the Greater Paris Area and all over France	
Amateur	6,984
Professional	74,134
Private promoters	5,679
Unionised subsidised	20,004
Non-unionised subsidised	90
Independent companies and others	48,361
TOTAL	81,118

Audiovisual, Cinema, Web



NB: The final figures for audiovisual broadcasts for 2021 were not known at the time of printing of this report.

261,029

program hours (linear broadcasts)
of which 96% Television (251,343 hours of programming)
and 4% Radio (9654 hours of programming)

NB: These figures include works managed by the SACD on behalf of foreign CMOs.

The SACD, a closely audited Society



CMO Audit Committee

The SACD, like all Collective Management Organisations (CMO) of author's rights and related rights, is subject to a yearly audit by the *Commission de contrôle des Organismes de gestion des droits d'auteur et des droits voisins* (CMO Audit Committee) itself under the authority of the Cour des Comptes (French Court of Auditors).

The 2022 annual report does not deal with the activities of the SACD, instead focusing on the activities of Societies of related rights for performers. All these reports are available on the website of the Audit Committee (<https://www.ccomptes.fr/en/institutions-associees/commission-de-contrôle-des-organismes-de-gestion-des-droits-dauteur>).

Additional audits

In addition, in accordance with the provisions of the French Literary and Artistic Property Code, the SACD, like

all CMOs, sends a copy of its annual accounts and related reports to the Ministry of Culture each year, also submitting - prior to approval at the AGM – any draft amendments to its Statutes or to its rules for the collection and distribution of royalties,

The audits carried out by Mazars, the SACD's auditors, are comprehensive and thorough. As a result of their audit work, Mazars has certified the 2021 accounts without reservations nor observations as witnessed by the certificate published on the penultimate page of this report.

ISO Certification

Since 2017, the SACD has voluntarily undergone evaluation by AFNOR, an independent auditing body, and has obtained ISO 9001 certification for its royalties collection and distribution activities. We considered it a good idea to entrust a recognised external assessor with the task of evaluating the quality of services we make

available to our authors and the management of the Society.

The SACD has adopted a progressive approach with the goal of covering all of its CMO activities over a few years. In 2021, the scope of this certification was therefore extended to include Social Assistance and Solidarity and legal advice to authors, in addition to activities already audited, namely: part of the audiovisual collective management, the Authors/Users Department, the Performing Arts Department, the collection and distribution of royalties in the Performing Arts, the collection and preparation of royalties-distribution scales in Audiovisual, the individual management of audiovisual contracts and the activities of the SACD in Belgium.

On completion of its audit in February 2022, AFNOR issued its certification for the entire perimeter

extended in 2021, underlining the high level of control of the SACD teams over the entire process. Thus, all activities concerning the reception and membership of authors as well as the declaration of performances, the collection and distribution of royalties for the performing arts, the negotiation and collection of royalties related to standard contracts as well as the establishment of distribution scales for these royalties in the audiovisual sector, and the negotiation and collection of royalties for individual contracts and authorisations in the audiovisual sector, are now certified.

The SACD is the first and only CMO to obtain this certification in France. By willingly and voluntarily undergoing this demanding external evaluation every year, the SACD aims to continuously improve its management and provide the best services possible to its authors.

4

SOCIAL AND SOLIDARITY ACTIONS

2021 Review of support and solidarity measures

Overall
Budget:
€9.5M

The SACD persuaded the State of France to extend, for the entire duration of 2021 and into the beginning of 2022, most of the support measures created by the State in 2020 to compensate authors for lost income.

The SACD has also bore the cost of managing these funds, allocating all the funds to the authors.

In total, during the year, €7.6m in exceptional and/or social aid was granted to 2,500 authors (details on page 10), bringing the total social action budget to €9.5m in 2021.

Social Action Committee

The SACD's Social Action Committee, composed of authors who review applications submitted by the SACD's Social Assistance, approved support for 55 authors in 2021. It should also be noted that Social Assistance was reorganised so as to be able to respond more quickly to requests and to better gauge the reasons given when requesting assistance, and thus come up with optimal solutions. In addition to financial aid, the SACD provides personalised support for these individual actions (procedures, help with legal aid,

support for access to appropriate health care, etc.). For its part, and in the same spirit, the Paul-Milliet Foundation, which has its own resources, also grants aid to authors faced with age or illness and, more broadly, with all of life's difficulties.

Other social supports

The SACD also grants allowances to its "godchildren" (children of deceased authors) to financially support their schooling and higher education. These grants, which are given in the form of donations amounted to €0.1m in 2021. The allowances were paid to 32 godchildren in 2022, compared to 22 in 2020.

Proceeds allocated to supplementary allowances, which became the Aide Solidarité Retraités (ASR - supplementary pension scheme) at the beginning of 2021, fell sharply due to the drop in resources from the Performing Arts industry, which usually provides around 80% of their funding. Since the SACD is

not a retirement organisation, this measure is to be considered a solidarity aid reserved for certain of its members, subject to age and income conditions. Moreover, this is not a permanent solidarity measure; rather, it has to be confirmed each year by the Board of Directors for the following year, and its annual amount depends in particular on the number of beneficiaries as well as on the SACD collections, mainly in the Performing Arts.

The 2020 crisis forced us to urgently reform this scheme. An initial reform in July 2020 made it possible to maintain the amount of allowances in 2021 for the largest number of beneficiaries, but this would not have been sufficient to maintain a financial balance for the following years.

The Board of Directors therefore voted in February 2021 for a new reform to enter into effect as of Q1, 2021. Specifically, the reform limits access to the aid depending on new revenue criteria allowing

4 SOCIAL AND SOLIDARITY ACTIONS

greater visibility on the future of this solidarity scheme.

In 2021, the amount of ASR (supplementary pension scheme) paid to authors amounted to approximately €1.8m.

The SACD has also set up a system of appointments with an IRCEC pension adviser for authors wishing to exercise their pension rights or simply to obtain personalised information from an expert. In 2021, a total of 62 authors availed of this service.

FONDATION PAUL MILLIET
— reconnue d'utilité publique

The Paul-Milliet Foundation

In 2021, the Paul-Milliet Foundation approved 21 aids for a total amount of €57,100, i.e. an average amount of €2,719. Founded in 1926 thanks to donation made to the SACD by the librettist Paul Milliet (1848-1924), to create a foundation intended to help elderly and ill authors, the Paul Milliet Foundation has been recognised, right from inception, as a public-interest organisation. As of the 1980s, the Foundation's sole areas of focus were direct-aid payments and covering health-related costs for authors suffering from issues related to age and illness. This role was expanded and approved in 2014 by the Council of State to include helping authors facing any type of adversity.

The Foundation lives from bequeathed royalties (nowadays mainly from the screenwriter Henri Jeanson and film director Roger Kahane), from income on capital that constitutes its endowment, and from donations from authors who wish to support the Foundation.

www.fondationpaulmilliet.org

AUTEURS
SOLIDAIRES

The Auteurs Solidaires endowment fund

Auteurs Solidaires, an endowment fund created at the instigation of the SACD, and chaired by Rodolphe Belmer, aims to implement innovative projects in the field of social intervention, led by professional authors and based on the sharing of original artistic experiences.

In 2021, the SACD provided cultural action support to *Auteurs Solidaires* to enable it to finance, alongside other partners, various actions carried out throughout the year and/or undertaken during the year.

In 2021, *Auteurs Solidaires* succeeded in organising two new editions, and put the finishing touches to two other editions of *Raconte-moi ta vie!* artistic education operations in the Hauts-de-France and Auvergne-Rhône-Alpes regions.

www.auteurs-solidaires.org

5

**FULLY
COMMITTED
TO CULTURAL
DYNAMISM**

5 FULLY COMMITTED TO CULTURAL DYNAMISM

Rules and governance of Cultural Action

The reform voted by the Board of Directors in 2018 to support emblematic and priority cultural actions came into effect in 2019. The reform of the decision-making process, enacted to comply with the recommendations of the CMO Audit Committee, also came into effect and works as follows: with the exception of support for festivals and events (now decided by the Board of Directors), decisions about the individual allocation of support to an author or a creative work are taken by specific juries separate from the Board and its members. In addition, support for festivals and events is now a matter for deliberation by the Board of Directors and no longer decided by Committees specific to a given artistic discipline.

In order to prevent any conflict of interest when allocating grants, several mechanisms have been strengthened, and, going forward, SACD Board members are required to declare any direct or indirect interests that could place them in such a situation. If we receive a grant

application for an event in which an SACD Board member is envisaged as a participant or if the application is for a structure in which s/he holds a management or administrative position, then this Board member does not take part in the appraisal of the application, has no contact with the event in his/her capacity as an SACD Board member, and does not take part in the discussions nor voting of the Board of Directors in regards to that application. Furthermore, an author who is an SACD Board member cannot apply for funding to any cultural action fund or scheme. Moreover, this restriction applies to any work of which s/he is the author or on which s/he collaborates in any capacity whatsoever. In short, an administrator cannot apply for any individual support from any cultural action measures (Article 17 of the Statutes).

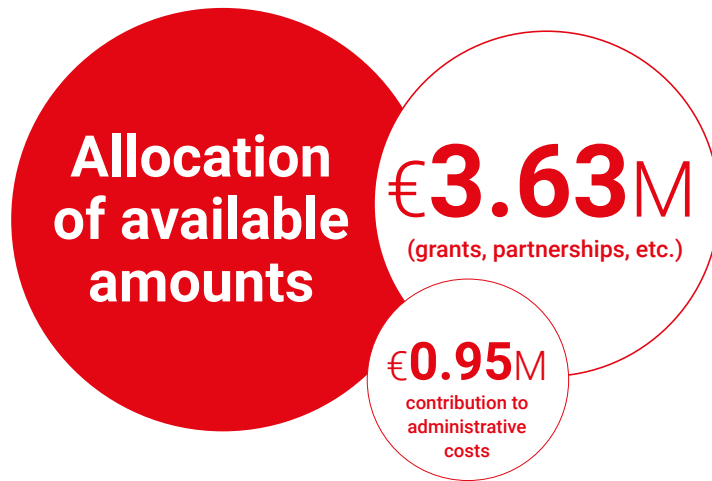
As regards the allocation of funds, the rules are precise: resources allocated must benefit authors, whether by financing their travel, contributing to shows, touring, writing grants, awards, etc. The Society's

annual budget for cultural action is prepared on the assumption that all resources allocated will be used during the year. Should this not be in fact the case (funds could not be distributed as planned during the year due to cancellation events or non-compliance with requirements), the concerned amounts are carried forward to the following year or are used to finance actions organised during the year.

Cultural action in 2021



5 FULLY COMMITTED TO CULTURAL DYNAMISM



Sources of funding of the Cultural Action Budget

Audiovisual private copying levy (art L321-9 of the CPI)	€2,552,114
Audio private copying levy (art L321-9 of the CPI)	€858,184
Digital private copying levy (art L321-9 of the CPI)	€128,271
Non-distributable royalties (art L321-9 of the CPI)	€150,000
Financial income	€9,221
Carried forward from previous years	€883,534
Total	€4,581,324

The amounts carried forward in the table above are those committed to events that ultimately could not be organised or that did not meet their commitments. In 2021, most of the amounts carried forward came from unused Beaumarchais-SACD funds and cultural action amounts in Theatre, a sector heavily affected by the health crisis with successive cancellations and closures.

New Support Funds and Activities 2021



In 2021, many events took place despite the crisis with adjustments to the calendar, duration or format. This was notably the case for the Cannes Film Festival, which was exceptionally organised in July 2021, at the same time as the Avignon Theatre Festival, and Séries Mania which was organised at the end of August instead of taking place at the end of March, as it usually does.

Furthermore, in the context of the post-Covid crisis, the SACD and the Ministry of Culture have decided to support the authors of original performing arts texts, doing so through specific measures deployed in addition to the existing mechanisms in order to relaunch

creation and provide pertinent support to offset the high degree of precariousness of authors. Thus, 17 works, i.e. 28 authors, benefited from a Writing Premium from the Private Theatre Support Fund in 2021 for a total budget of €100,000. This joint scheme will be extended in 2022.

Another novelty in 2021: the creation of the SACD-France Télévisions Creation & Diversity Fund. This is a new writing aid for diversity to bring out projects for new fiction series intended for video streaming. For 2021, projects must be treated solely from the perspective of a high-concept comedy series. The winners will each receive €80,000 to finance the writing of a complete season.

5 FULLY COMMITTED TO CULTURAL DYNAMISM

SACD's current funds and facilities continued to operate in 2021:

- **SACD Theatre Fund** (*Fonds SACD Théâtre*): 10 grants of €10,000 plus a writing grant of €2,000 per winning project (14 authors supported)
- **Avignon-Off Theatre Fund** (*Fonds SACD théâtre Avignon Off*): 18 grants of €2,941 to 25 authors.
- **Stage Music Fund** (*Fonds SACD Musique de Scène*): 15 grants of between €2,500 and €3,000 for the 2020 committees held in January 2021 (15 composers assisted). 11 grants between €2,000 and €4,000 for the 2021 committee held in November 2021 (14 composers assisted).
- **Opera Creation Fund** (*Fonds de Création Lyrique*): selective grants: 14 grants between €5,000 and €50,000 (27 authors supported).
- **Special Opera Fund** (*Special Opera Fund SACD Opéra*): 8 grants from €10,000 to €20,000
- **Opera Promotion Fund** (*Valorisation Lyrique AV et SV*): 2 devised works promoted
- **Circus Fund** (*Processus Cirque*): 7 grants of €8,000 (11 authors supported).
- **Street Arts Writing Fund** (*Écrire pour la rue*): SACD/DGCA scheme. 10 writing grants of €1,000 granted by the SACD with the DGCA supporting the production (17 authors supported)
- **Outdoor Performances Fund** (*Auteurs d'espaces*): 5 grants for devised works (€2,700 to €8,300) with projects scheduled on partner-festivals (Chalon-sur-Saône, Aurillac, Nanterre and the RENAR Network in Normandy).
- **Trio(s) Dance SACD - ONDA**: 12 programs and 13 choreographers

supported by the June committee composed of authors and professionals, and 4 programs supported by the second committee.

- **Digital Series Fund** (*Fonds séries numériques*): 6 projects (11 authors) supported in 2021 (€13,000 per project) to write and produce a pilot web series for a first free dissemination on the internet.
- **SACD-OCS Signature Fund**: 5 projects (6 authors) supported (€5,000 per project) to write a pilot episode. The finalist winning project received additional support from OCS (€25,000) to finance the writing of the entire season. The theme of the year 2021 is Disability, treated only from the perspective of the comedy series.
- **Comedy Fund** (*Fonds SACD humour*): 17 grants from €2000 to €6000.
- **Avignon-Off Comedy Fund** (*Fonds SACD humour Avignon Off*): 5 grants of €2,500.

In 2021, Cultural Action supported eight events and comedy festivals throughout France, some of which included a "New Writing Talent SACD" prize, awarded directly to authors.

In addition, for the first year in 2021, Cultural Action supported the Académie d'Humour, with sector professionals giving their support to emerging comedy talents selected in advance by way of auditions.

5 FULLY COMMITTED TO CULTURAL DYNAMISM

Actions in favour of artistic education

The training actions planned for the year 2021 were maintained via financial support to a selection of film schools: Cinefabrique, FEMIS, CEEA, Poudrière and ENSATT. SACD has also allocated funds to the special Continuous Education Fund (AFDAS) for authors.

In addition, a number of actions in favour of artistic education and diversity continued in 2021 (Auteurs Solidaires, Un Artiste à l'École, La Ruche, la Quinzaine en Actions, Parcours d'auteurs au Festival d'Automne, Atelier des Artistes en exil, La Résidence (run by the Fémis film school), Talents en Court). The SACD Cultural Action team facilitated the inclusion, in festivals and professional meetings held by its network of partners, of authors taking part in these multiple programs.

International cultural actions

The SACD's support for the Contxtto scheme made it possible to fund the translation of theatre texts into English and Spanish for dissemination in a professional network.

In the United States, the SACD, the French Embassy and the CNC organised the Boulevard des Séries residency in October 2021 in Los Angeles for the benefit of scriptwriters to spur the development of draft French series considered to have significant international potential.

In addition, the Sounds of New York program, launched in 2021, aims to support the development of French podcasts with high international potential through a program dedicated to French authors, creators and directors who have produced at least one Audio project.

Beaumarchais Association -SACD

The unpredictable nature of the COVID 19 pandemic and its health, human, economic and, of course, cultural consequences continued to seriously impact the Beaumarchais Association throughout 2021. An additional difficulty – although expected – was that the two annual subsidies financing the Association's activities were reduced by a total of €155,000, bringing the Association's budget down to €483,400. However, a reversal of provisions from previous years helped to mitigate the effects of this decrease.

Despite these combined challenges, the Association was able to maintain a high level of support for authors, with the number of writing grants awarded in the 2021 budget approaching that of 2018 and 2019. Applications for writing grants, although still very high, have returned to more typical levels after the records of 2020 (+3% in 2021 compared to 2019).

In total, Beaumarchais-SACD awarded 69 writing grants to 95 authors in 2021.

Requests for combined support measures made a discreet but real return after an extremely difficult 2020 in terms of new projects, and almost €130,000 were allocated in 2021 as additional support for writing grants, essentially for the production, development or translation of projects.

Of note is that three films that received Beaumarchais-SACD support in 2019 and 2020 have been selected for Cannes in 2022: *Dalva* by Emmanuelle Nicot (2020 grant) selected for International Critics' Week and for ACID: *Grand Paris* by Martin Jauvat and *Jacky Caillo* by Lucas Delangle (2019 grants).

Building on the positive momentum of previous years, the partnership with Orange via the *Orange XR* grant saw two grants, each worth €30,000, awarded to ambitious virtual reality projects judged to be representative of the know-how of French authors and producers in this field.

APPENDICES

6 APPENDICES

Collections & Distributions of Royalties

2021 Collections (net of VAT)

(rounded off to nearest euro)

	COLLECTIONS		SACD DEDUCTIONS / COLLECTIONS			
	Royalties collected	Change 2021 / 2020	CCSA*	Specific Deduction	SACD Deduction	Net Royalties to distribute
PERFORMING ARTS	27 373 433	-19.2%	2,750,933			24,622,500
France	23 297 436	-17.9%	2,656,501			20,640,935
Paris	7 127 453	-21.5%	569,735			6,557,718
Regions	16 169 983	-16.2%	2,086,766			14,083,217
Direct Collection Countries	1 350 439	-32.1%	94,432			1,256,007
Belgium**	1 223 497	-36.5%	94,432			1,129,065
Canada	126 942	100.1%	0			126,942
Foreign countries	2 717 903	-22.4%	0			2,717,903
Graphic publishing	7 655	NA	0			7,655
AUDIOVISUAL	164 650 842	-6.1%				164,650,842
France	138 937 243	-2.5%				138,937,243
Private copying	12 819 564	2.5%				12,819,564
Standard Contracts	124 129 412	-3.1%				124,129,412
Individual Contracts	1 988 268	1.5%				1,988,268
Direct Collection Countries	13 368 045	-13.8%				13,368,045
Belgium**	11 129 623	-17.6%				11,129,623
Canada	2 238 423	12.4%				2,238,423
Foreign countries	12 345 553	-28.9%				12,345,553
WRITTEN WORKS	382 493	-33.4%				382,493
Publishing rights France	271 475	-32.3%				271,475
Publishing rights Belgium	111 018	-36.1%				111,018
GRAND TOTAL	192 406 768	-8.3%	2,750,933			189,655,835

* CCSA: Contribution for social and administrative purposes, due in addition to the royalties paid by Performing Arts promoters.

** Excludes royalties collected on behalf of deAuthors CMO; for 2020, these stood at €321,433.82 and €2,378,050.49 in the Performing Arts and Audiovisual sectors respectively.

(amounts expressed in €uro)

Itemised distribution of royalties 2021

(rounded off to nearest euro)

	DISTRIBUTIONS		SACD DEDUCTIONS / DISTRIBUTIONS		
	Royalties distributed	Change 2021 / 2020	Specific Deduction	SACD Deduction	Net Royalties to distribute
PERFORMING ARTS	24,739,524	-18%	115,974	2,278,038	22,345,512
France	20,597,016	-16%	97,286	1,957,164	18,542,566
Paris	6,545,853	-20.4%	30,304	520,433	5,995,116
Regions	14,051,163	-13.8%	66,981	1,436,732	12,547,450
Direct Collection Countries	1,433,363	-33%	5,744	134,577	1,293,042
Belgium*	1,308,721	-37%	5,441	101,560	1,201,721
Canada	124,642	94%	303	33,017	91,322
Foreign countries	2,701,490	-23.3%	12,906	185,794	2,502,790
Graphic publishing	7,655	NA	38	503	7114
AUDIOVISUAL	174,832,358	2.7%	826,561	16,585,028	157,420,769
France	146,700,782	3.3%	693,489	14,318,357	131,688,936
Private copying	10,675,945	13.6%	51,183	1,112,857	9,511,905
Standard Contracts	134,038,028	3.1%	641,149	13,024,531	120,372,348
Individual Contracts	1,986,809	-24.5%	1,157	180,969	1,804,683
Direct Collection Countries	14,717,401	2.4%	66,725	1,442,299	13,208,377
Belgium*	12,600,186	1.9%	56,335	1,221,216	11,322,635
Canada	2,117,214	5.5%	10,390	221,082	1,885,742
Foreign countries	13,414,175	7.7%	66,347	824,372	12,523,456
WRITTEN WORKS	111,038	-74%	349	3,300	107,390
Reprographic rights France	19	-100%	0	0	19
Reprographic rights Belgium	111,018	-36.1%	348,51	3,300	107,370
GRAND TOTAL	199,682,919	-1.5%	942,883	18,866,365	179,873,671

* Distributions to Flemish authors in Belgium are made directly by deAuthors.

(amounts expressed in €uro)

6 APPENDICES

Profit & Loss statement for 2021

EXPENSES	2021		2020	
I – OPERATING COSTS		35,117,805		35,884,398
A - PURCHASES AND EXTERNAL EXPENSES		8,473,604		9,335,436
B - TAXES		727,500		679,494
C – PERSONNEL		16,294,025		15,726,995
Salaries		9,479,325		9,069,924
Social contributions		4,186,086		4,188,041
Miscellaneous expenses		906,581		807,844
Brussels Delegation		1,722,033		1,661,185
D – OTHER OPERATING COSTS		6,706,607		7,656,030
a) Authors social action		1,965,460		2,482,699
Supplementary benefits allowances		1,824,685		2,369,324
Other social expenses		140,775		113,375
b) Cultural action expenses		4,581,138		4,969,649
- allocated from statutory resources		4,581,138		4,871,659
- allocated from voluntary resources		0		97,990
c) Other operating costs		160,009		203,683
E – DEPRECIATION & AMORTISATION		2,719,865		2,486,443
F - PROVISIONS		196,203		0
II – FINANCIAL COSTS		31,803		28,803
Bank interest		0		0
Currency exchange losses		1,559		310
Costs for disposal of securities		0		0
Costs for disposal of equities		12,687		0
Provision for depreciation of equities and related receivables		0		12,787
Provision for financial costs		8,521		0
Share of financial products related to cultural action		9,035		15,706
III - EXCEPTIONAL EXPENSES		2,648,564		2,811,944
IV – PROFIT SHARING		629,124		616,001
Total expenses (i + ii + iii + iv)		38,427,296		39,341,147
Profit (loss) for the period		42,200		65,583
GRAND TOTAL		38,469,496		39,406,730
Total P&L with euro cents		38,469,496.48		39,406,730.42

RESSOURCES	2021		2020	
I – OPERATING REVENUE		35,082,289		35,462,925
A- RECOVERY AND RE-INVOICING OF EXPENSES		954,138		1,047,649
Recovery of cultural action Operating costs		954,138		1,047,649
B - DEDUCTIONS ON ROYALTIES		21,724,956		22,405,189
Deductions on royalties from the performing arts		2,394,012		2,970,189
Deductions on royalties from the audiovisual sectors		17,411,589		16,832,798
Deductions on royalties from written works (copy)		3,648		19,380
Deductions on royalties from other sources		0		641
Deductions on miscellaneous collections		1,915,708		2,582,182
C - OTHER OPERATING REVENUE		11,374,167		11,853,111
a) Revenue from daily administration		1,328,704		1,197,158
b) Miscellaneous revenue		5,464,325		5,686,304
- Revenue allocated to supplementary benefits (ring-fenced)		1,824,685		2,369,324
- Other revenue		3,639,640		3,316,980
c) Cultural Action revenue		4,581,138		4,969,649
- Statutory portion		4,581,138		4,871,659
- Voluntary portion		0		97,990
D - REVERSALS OF PROVISIONS		1,029,027		156,976
II - FINANCIAL REVENUE		117,261		3,861,449
Interest on Loans		1,546		0
Revenue from receivables		0		1742
Revenue from securities		92,247		3,833,382
Foreign exchange gains		1,645		10,619
Net gain on disposal of equities:		0		0
Net gain on disposal of securities:				
- On F.C.P. SACD investment		0		0
- On other securities		9,035		15,706
Reversal of provisions for depreciation on equity securities and related		12,787		0
Reversal of provisions for financial costs		0		0
III - EXCEPTIONAL RESOURCES		3,269,947		82,356
GRAND TOTAL (I+II+III)		38,469,496		39,406,730
Total P&L with euro cents:		38,469,496.48		39,406,730.42

NB:

The figures in the following accounts are taken from the company's general accounts and are automatically rounded up to the nearest euro. The application of this rounding rule may lead to possible differences of €1 to €2 in the calculation of grand totals or interim totals, which are therefore normal.

6 APPENDICES

BALANCE SHEET AS OF 31 DECEMBER 2021

ASSETS	As of 31 December 2021			2020
	Gross Value	Dep./Impairment or provision	Net Value	Net Value
INTANGIBLE FIXED ASSETS	13,910,989	11,255,311	2 655 678	3,219,517
Software Licenses	13,807,989	11,255,311	2 552 678	3,116,517
Goodwill	103,000	0	103,000	103,000
TANGIBLE FIXED ASSETS	36,180,673	16,356,457	19 824 217	19,290,841
Buildings:				
a) Land	3,552,555	0	3,552,555	3,552,555
b) Plantations	24,423	20,200	6,076	6,076
c) Landscaping and maintenance	59,263	30,697	28,566	28,566
d) Buildings	11,506,144	3,057,773	8,448,371	8,448,371
e) Façade	3,620,511	1,321,380	2,299,130	2,299,130
f) Buildings facilities	6,361,823	3,515,907	2,845,916	2,845,916
g) Offices facilities	3,737,963	2,579,560	1,158,404	1,158,404
h) Technical facilities	1,898,601	1,703,997	194,605	194,605
Other tangible fixed assets:				
a) Transport equipment	171,535	109,552	61,982	61,982
b) Computer equipment	1,965,325	1,400,446	564,879	564,879
c) Office equipment	355,205	325,121	30,084	30,084
d) Office furniture	1,072,741	982,264	90,477	90,477
e) Other tangible goods	38,392	28,597	9,795	9,795
FIXED ASSETS UNDER PROCUREMENT	2,405,850	0	2,405,850	2,405,850
FINANCIAL ASSETS	6,643,135	198,735	6,444,400	6,444,400
Equities and securities	2,348,959	12,247	2,336,712	2,336,712
Receivables from securities	3,335,581	176,360	3,159,220	3,159,220
Loans	953,783	10,128	943,655	943,655
Deposits and sureties	4,812	0	4,812	4,812
TOTAL I - FIXED ASSETS	56,545,362	25,184,754	31,360,608	31,360,608
RECEIVABLES	51,326,570	431,898	50,894,672	50,894,672
Receivables from Authors	1,631,186	431,898	1,199,288	1,199,288
Advanced payments on account payables	203,741		203,741	203,741
Receivables from customers	41,636,255		41,636,255	41,636,255
Receivables from staff	34,217		34,217	34,217
Receivables from State & Social organisations	4,938,160		4,938,160	4,938,160
Receivables from professional institutions	34		34	34
Other accounts receivables	2,882,978	0	2,882,978	2,882,978
SECURITIES	59,430,290	0	59,430,290	59,430,290
UCITS ("monetary")	0		0	0
UCITS ("diversified"):				
- FCP SACD investment	30,800,735		30,800,735	30,800,735
- Other diversified short term securities	28,445,581		28,445,581	28,445,581
UCITS ("Stock")	0		0	0
Equity shareholdings	50		50	50
Shares on deposit	183,923		183,923	183,923
TERM DEPOSITS AND NEGOTIABLE CREDIT INSTRUMENTS	67,051,993	950,930	66,101,063	66,101,063
AVAILABLE CASH FUNDS	30,422,019	0	30,422,019	30,422,019
TOTAL II - CURRENT ASSETS	208,230,872	1,382,828	206,848,044	206,848,044
Prepaid expenses	374,714		374,714	374,714
Deferred charges	0		0	0
TOTAL III - ACCRUALS AND DEFERRED REVENUE	374,714	0	374,714	374,714
GRAND TOTAL (I+ II+ III)	265,150,948	26,567,582	238,583,366	238,583,366

Total Balance Sheet with euro cents

238,583,366.27

238,583,366.27

LIABILITIES	As of 31 December 2021	2020
SHARE CAPITAL	2,330,815	2,208,177
BALANCE CARRIED FORWARD	3,472,159	3,406,576
PROFIT/(LOSS)	42,200	65,583
TOTAL I - EQUITY	5,845,174	5,680,336
PROVISIONS FOR SOCIAL COMMITMENTS	5,913,294	6,053,592
Provision for staff pensions	846,326	971,605
Provision for work awards	269,397	292,619
Provision for retirement allowances	4,797,571	4,789,368
PROVISIONS FOR LEGAL COSTS	6,764,067	8,299,207
PROVISIONS FOR SOCIAL ACTION	469,649	476,649
TOTAL II - PROVISIONS	13,147,010	14,829,449
ACCOUNTS PAYABLE	207,541,072	217,962,720
Received deposits and guarantees	7,558	0
Loans and bank loans	264,022	2,402,464
Suppliers and related	3,343,464	2,357,376
Personnel costs	2,940,429	2,717,482
State and social organisations	17,832,207	15,199,750
Other Accounts payable	2,303,443	4,503,681
Accounts payable to authors	34,532,487	31,749,981
Additional amounts payable to authors	2,531,326	3,153,724
Accounts payable to Professional institutions	706,164	491,232
Audiovisual sector royalties to be distributed	88,862,577	95,743,372
Performing Arts royalties to be distributed	4,183,331	4,615,407
Royalties from written works (France) to be distributed	0	0
Private copying - "Authors portion" to be allocated	5,881,228	6,816,766
Private copying - "Cultural action portion"	3,364,847	3,732,515
Royalties France (Audiovisual & Performing Arts), Billed to be collected	8,351,169	11,388,196
Royalties Belgium (Audiovisual & Performing Arts), Billed to be collected		
- Audiovisual	31,317,931	
- Performing arts	1,045,668	32,360,427
- Reprographics, loans...	73,222	729,830
TOTAL III - ACCOUNTS PAYABLE	207,541,072	217,962,720
PREPAID REVENUE	77,594	110,862
TOTAL IV - ACCRUALS & DEFERRED REVENUE	77,594	110,862
GRAND TOTAL (I+II+III+IV)	226,610,849	238,583,366

Total balance with cents:

226,610,849.30

238,583,366.27

6 APPENDICES

Organisations supported for three consecutive years (2019 to 2021 inclusive)

Audiovisual, Cinema, Web

Television

Lille Hauts-de-France International Series Festival Association *Séries Mania Festival and European Forum*

Kandimari *Série Series*

L'Association du Festival de la Fiction *TV Fiction Festival + Residence for French-language Writers at La Rochelle*

The Office for Cultural Affairs & the Creative Industries *Los Angeles Boulevard des Séries*

Cinema

ARP (Society of authors, directors and producers) *SACD – ARP joint event*

Emergence Cinema *Emergence*

Gindou Cinéma *La Ruche Residency*

Association du Cinéma Indépendant pour sa Diffusion (ACID) *Actions carried out to support authors of independent cinematographic works*

L'Association Premiers Plans *Premiers Plans Festival*

Institut Lumière *Festival + Institut Lumière*

The Directors' Fortnight *The Directors' Fortnight + The Fortnight in Action*

CNC Fonds pour la jeune création francophone *(special fund for emerging cinema films in French-speaking countries)*

Radio

Radio France *Original Podcasts fund + Soirée 42e rue + Voix d'auteurs*

France Médias Monde *Ça va ça va le monde !*

Les Ecouteurs *Paris Podcast Festival*

RTBF *Gulliver Fund*

Animation

Cartoon AISBL *Forum Cartoon + Cartoon Movie*

La Cité de l'image en mouvement d'Annecy (CITIA) *Annecy Animation Film Festival*

La Poudrière *Training activities + Ciclic + Support project for authors to write short animated films + Support program for authors during professional events*

Les Nouvelles Ecritures pour le Film d'Animation (La Nef)

Workshop in Fontevraud + Japanese Animation Workshop + Pathways to Creation + International Residency for the writing of Animation Films

Télévision Française 1 *TFOU Animation Competition*

Digital Arts

IMAGO Production *Marseille Webfest*

La Boite *FRAMES Web Video Festival + Fiction Residency*

Guilde des vidéastes *All cultural and training activities done by the Videographers' Guild*

Cross-disciplinary

LA FEMIS (Public film school) *Showrunner training + Residency*

FERA (Federation of European Screen Directors) *FERA's cultural actions*

FSE (Federation of Screenwriters in Europe) *ESF cultural actions*

Les Ami(e)s du Comedy Club *Talents en Court*

Sauve qui peut le court métrage *Clermont Ferrand International Short Film Festival*

Un artiste à l'école *An artist at school program*

CEEA (European Conservatory of Audiovisual Writing) *School teaching activities*

+ Participation in the financing of school fees of students in difficulty

Scénario au long court *Valence International Screenwriters Festival*

Atelier des Artistes en Exil

La CinéFabrique *The CinéFabrique*

Performing Arts

Theatre

Artcena *Contxto*

Avignon Festival & Compagnies *Fonds de Professionnalisation + Festival Off d'Avignon*

CNDC Théâtre Ouvert *Focus Festival at Théâtre Ouvert*

Ecrivains Associés du Théâtre *Cultural actions of EAT*

JMD Production *Festival Paroles Citoyennes + Festival d'Humour de Paris (FUP) + Festival d'Humour Digital*

Le Centquatre - Paris *Impatience Festival*

Le Festival d'Automne *Author's Journey*

CIRCA - La Chartreuse *Author residencies + European Writing Studio for Theatre + Totems*

Les Francophonies en Limousin *Festival Les Francophonies en Limousin*

Music

Aix-en-Provence Festival *Opera Workshops*

Opéra en Création

Musica Festival *Festival of contemporary classical music*

Opéra Comique *Opera Creation Fund + Special Opera Fund*

Opéra de Rennes - Ville de Rennes *Opera Creation Fund + Special Opera Fund*

Circus Arts

L'Académie Fratellini *Académie Fratellini - Processus Cirque*

La Maison des Jonglages *Les Rencontres des Jonglages*

Street Arts

La Régie Autonome Personnalisée du Pôle des Arts de la Rue de

Chalon-sur-Saône *Auteurs d'espaces (Outdoor Performances Fund) / Chalon Street Arts festival*

Comedy

Le Printemps du Rire *Toulouse Comedy Spring Festival*

Olympia Production *Comedy Fund*

Cross-disciplinary Performing Arts

Association de Gestion du Festival d'Avignon *Vive le Sujet ! et Captation*

Cross-repertoire

AFDAS

Ongoing Education for authors and performers

Association Beaumarchais - SACD

Support for authors in the form of individual grants for original works, translation, residency and related production and publishing support

Auteurs solidaires

Auteurs Solidaires fund

SACD
Collective Management Organisation (CMO)
Paris Trade & Companies Register under number 784 406 936

Statutory auditor's statement on the information required under 1°, 7° to 10° of II and III of Article R. 321-14 of the French Intellectual Property Code, as set out in the Annual Transparency Report required under Article L. 326-1 of the same code for the financial year ending 31 December 2021.

Year ended 31 December 2021

To Whom It May Concern:

In our capacity as statutory auditors of the SACD and pursuant to Articles L. 326-8 and R. 321-14 IV of the French Intellectual Property Code, we have prepared this certificate on the information required under Articles 1°, 7° to 10° of II and III of Article R. 321-14 of the same Code, as set out in the Annual Transparency Report required under Article L. 326-1 of the said Code for the year ended 31 December 2021.

This information has been prepared under the responsibility of your Board of Directors from the accounting records used to prepare your entity's annual financial statements for the year ended 31 December 2020. The methods and main assumptions used to prepare this information are specified in the transparency report. It is our responsibility to certify this information.

However, it is not our responsibility to question the assumptions used by the management of your entity.

As part of our audit assignment, we have audited the financial statements of your entity for the year ended 31 December 2021. Our audit was conducted in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Consequently, we have not performed our audit tests and procedures for this purpose and we do not express any opinion on these elements taken in isolation.

We performed the procedures we considered necessary in accordance with the professional standards applicable in France as per the guidelines of the Compagnie nationale des commissaires aux comptes. These procedures, which do not constitute an audit or a limited review, consisted of performing the following procedures, on a test basis or by other selection methods to:

- become familiar with the procedures set up by your entity to produce the information required under Articles R. 321-14 (1°, 7° to 10°) of the French Intellectual Property Code and R. 321-14 (III) of the French Intellectual Property Code, given in the annual transparency report required under Article L. 326-1 of the French Intellectual Property Code:

- make the necessary reconciliations between this information and the accounts when they are derived from it or with the SACD's management information systems for data based on analytical breakdowns. The SACD is in the process of developing management systems that will allow the automation of the processes for the preparation of the management information corresponding to the requirements of the Transparency Report.
- Our audit work did not reveal any anomaly in the reconciliations performed in work at the end of 2021;
- check the concordance of these data with the elements used as a basis for the preparation of your entity's annual financial statements for the year ended 31 December 2020;
- verify the consistency of this information with the data underlying the accounts concerned;
- verify the arithmetical accuracy of the information produced; and
- assess whether this information is presented fairly.

On the basis of our work, we have no observations to make on the information provided for in 1°, 7° to 10° of II and III of Article R. 321-14 of the Intellectual Property Code contained in the annual transparency report provided for in Article L. 326-1 of the same Code.

This certificate serves as a special report within the meaning of Article L. 326-8 and R. 321-14 IV of the Intellectual Property Code.

This certificate has been prepared for your attention in the context specified in the first paragraph and must not be used, distributed or quoted for any other purpose.

Prepared in Paris La Défense, on 11 April 2022

The Auditors

MAZARS

Jean-Philippe MATHOREZ

Statutory auditor's statement on the information required under 1°, 7° to 10° of II and III of Article R. 321-14 of the French Intellectual Property Code, as set out in the Annual Transparency Report required under Article L. 326-1 of the same code for the financial year ending 31 December 2021.
Year ended 31 December 2021

Statutory auditor's statement on the information required under 1°, 7° to 10° of II and III of Article R. 321-14 of the French Intellectual Property Code, as set out in the Annual Transparency Report required under Article L. 326-1 of the same code for the financial year ending 31 December 2021.
Year ended 31 December 2021

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