

**MINUTES OF THE ANNUAL GENERAL MEETING OF COPYRIGHT AGENCY LIMITED
HELD ON WEDNESDAY 29 NOVEMBER 2023**

The meeting took place at Gilbert + Tobin, Level 35, 200 Barangaroo Avenue, Barangaroo and on-line and commenced at 4:00 p.m.

In attendance

Kate Harrison (Chair)
Jane Curry (Director)
Richard Eccles (Director)
Cath Godfrey (Director)
Sophie Cunningham (Director)
Dr Oliver Watts (Director)
Josephine Johnston (CEO)
Melissa Willan (Company Secretary)

Observers

Sam Abraham (CA)	Karen Tinman (CA)	Kate Haddock (Banki Haddock Fiora)
Rosie Daniele (CA)	Anne Milne (CA)	Olivia Lanchester (ASA)
Libby Baulch (CA)	Lydia Spooner (CA)	Lucy Hayward (ASA)
Virginia Morrison (CA)	Eileen Camilleri (Australian Copyright Council)	Michael Gordon-Smith (APA)
Rosanna Acriuli (CA)	Margaret Blunden	Cameron Poan (KPMG)
Guy Johnson (CA)		Betty Cai (KPMG)
Arthur Baker (CA)		

Present

Please refer to Annexure A for a list of members who were present at the virtual meeting.

Apologies

Kirsty Murray, Matthew Ricketson, Leslie Loble and Jason Eades.

Introduction and Quorum

The Chair noted that a quorum was present and declared the meeting open.

The Chair introduced herself and gave an acknowledgement of country to the Gadigal People of the Eora Nation. The Chair also noted that this meeting was being streamed live to members who were unable to attend the meeting in person.

The Chair thanked the members of the Board and acknowledged their diverse range of skills and experience. They include directors with experience in writing and publishing, visual arts, issues for First Nations Australians, government, and education. They are as follows:

Arthur Baker	APA Appointed director. Retired from Board on 30 June 2023
Brendan Bolton	APA Appointed director. Appointed from 1 July 2023
Sophie Cunningham	ASA Appointed director
Jane Curry	Elected Publisher director
Jason Eades	Independent director. Retired from Board on 29 November 2023
Richard Eccles	Independent director
Cath Godfrey	APA Appointed director
Leslie Loble	Independent director
Kirsty Murray	ASA Appointed director
Prof Matthew Ricketson	Board appointed Author director
Dr Oliver Watts	Elected Artist director

The Chair acknowledged Board and Management present at the meeting, and also acknowledged Copyright Agency's external auditors and legal advisers, respectively:

- Cameron Roan and Betty Cai from KPMG, who is Copyright Agency's independent auditor, and
- Kate Haddock from Banki Haddock Fiora, Copyright Agency's primary external legal advisers

Business of the Meeting

1. Apologies

To date, three members have sent their apologies:

- Richard Forbes
- Richard Potter
- Jessica Milner

2. Proxies

A total of 13 proxies were received as follows:

- The Chairperson held:
 - 4 proxies from author members
 - 5 proxies from publisher members
 - 2 proxies from visual artist members
- Kirsty Murray held 1 proxy from an author member.
- Alex Portnoy, a publisher member, held 1 proxy from a publisher member.

3. Acknowledgement of new directors

The Chair noted that after this meeting, Jason Eades will step down from the Board and will be focussing on his role as the Director of Aboriginal Melbourne for the City of Melbourne. The Chair thanked Jason for the quality and consistency of his input to the company over the six years and noted that Jason has made a very significant contribution to the Board and members and acknowledged the wealth of knowledge and expertise he brought to the Board. The Chair indicated

that the Nominations and Governance Committee is actively engaged in looking for a new independent Director to replace Jason.

The Chair noted that earlier this year, Arthur Baker had stepped down from the Board and taken up a senior position within the Copyright Agency, as the Director of Strategy & Innovation. As a Director for almost three years, Arthur also made a significant contribution to the organisation given his publishing experience, including his position at OUP, and his understanding of the changing world of educational publishing.

The Chair welcomed Brendan Bolton as a recently appointed Director on the Board, nominated by the Australian Publishers Association. Brendan has had a long and successful career in the educational publishing industry, and has a background as a primary school teacher. He has been an author, publisher and is currently International Business Manager at Cengage Australia. Brendan has been a Director of the Australian Publishers Association since 2017.

The Chair also acknowledged the re-nomination of Kirsty Murray by the Australian Society of Authors, and her re-appointment to the Board for a further three-year term. Kirsty is a multi-award-winning author of more than 20 books for children and young adults, and a strong advocate for Australian stories, authors and publications. Kirsty's work is widely studied and she has taught creative writing in schools, universities and libraries.

The Chair thanked all new and continuing directors for their contributions.

4. Presentation of Accounts and Reports and Questions of the Auditor

The Chair presented the Director's report and audited financial statements for the year ending 30 June 2023 to the meeting, and members were directed to the documents they had received/given access to online.

Members were invited to put questions to the auditor, Mr Cameron Roan and Ms Betty Cai of KMPG at a later time in the meeting.

5. Chair's address

The Chair congratulated the CEO and management of the company on a successful year, and acknowledged that this has been Josephine Johnston's first full year as CEO. The Chair noted that the CEO had made it a priority to try and strengthen Copyright Agency's engagement and relationships with all stakeholders including licensees. Copyright licensing brings enormous value to all the sectors the organisation operates in, including the statutory licences for schools and universities. Part of Copyright Agency's task in managing those licences is to engage with key customers and sectors to better understand how to meet their needs.

The Chair also noted the challenge that AI presented for all members of the Copyright Agency, and the steps that were being taken to address those challenges.

The Chair's address to the meeting is at Annexure B.

Following her address to the meeting, the Chair thanked her colleagues on the Board for their efforts this year, noting that Copyright Agency continues to face a number of challenging issues, but it is well served by a Board with the right range of skills and experience.

On behalf of herself, the Board, and Copyright Agency members, the Chair also extended her thanks and appreciation to the CEO, to senior management, and to everyone who works for the Copyright Agency. The Chair acknowledged the effort, skill and work contributed by every person who is a part of the Copyright Agency.

The Chair invited the CEO to speak to the CEO's report.

6. CEO's report

The CEO gave an acknowledgement to Country and paid respects to Elders past and present.

The CEO's full address to the meeting is at Annexure C.

Question Session

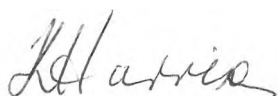
The Chair thanked the CEO and invited members to raise any questions they have. There were no questions from members.

The Chair invited members to contact her or the CEO if they have any questions or want to raise and discuss any issues they have.

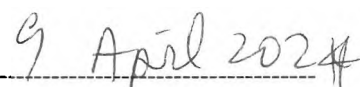
Meeting Closure

The meeting closed at 4:40 pm.

Signed as a correct record.



Chair



Date

Annexure A

	First Name	Last Name	Organization
Publishers	Brendan	Bolton	Cengage
	Jane	Curry	Ventura Press
	Jim	Demetriou	Harper Collins Publishing
	Patricia	Di Biase-Dyson	Australian Publishers Association
Authors	Wendy	Bean	
	Denis	Guiney	
	Sophie	Cunningham	
Visual Artists	Oliver	Watts	
	Fiamma	Kitching	

Annexure B

Chair's Address

The Chair continued that Copyright Agency is pleased to have reached an agreement with the university sector on copyright fees for 2023-26 and balance of fees for 2019-22. This agreement brought an end to a long-running dispute with the universities about the fees payable for their use of copyright material. This settlement enabled Copyright Agency to distribute millions of dollars that had been held in escrow since 2019. Copyright Agency is now working with the university sector on future methods of data collection.

The new agreement with schools also commenced on 1 January 2023, maintaining the 2022 copyright fees for another three years, with an option to extend for a further year. Copyright Agency is continuing to work on new data collection mechanisms from the school sector, with the assistance of the Copyright Tribunal. The aim is to use modern technologies which minimise teacher burden yet gives Copyright Agency information about how teachers are using members' content in various forms of teaching practices.

This year, Copyright Agency allocated \$142 million, to more than 36,000 recipients. This included \$47m in additional copyright fees from the university sector for 2019-22, which had been held in escrow pending an outcome to the litigation. These payments are a significant contribution to Australia's creative industries, particularly to all those involved in Australian educational publishing.

Copyright Agency also continues to support the Copyright Agency Cultural Fund. Members have agreed that up to 1.5% of licence fees can be used to fund cultural projects. In this year, \$1.6 million in grants were enabled, for 71 projects. These include Reading Australia, a project that provides teaching resources, aligned to curriculum and written by teachers, to support the teaching of Australian writing in schools. There are now more than 275 resources, covering all school levels, and more than 25,000 subscribers.

The Chair also noted that in last year's AGM, she mentioned the proposed introduction of a new Cultural Policy following the change of Government. During the development process for that policy Copyright Agency advocated on members' behalf for appropriate levels of support for literature and the visual arts. Copyright Agency also sought an acknowledgement that educational publishing is a part of Australia's creative industries, and an acknowledgement of the role of the copyright system as key infrastructure for the creative industries.

The Chair noted that in January this year, the policy was released. Revive, which is a 5-year plan structured around five interconnected pillars that set out its strategic objectives. The Government has made clear that the policy applies to all areas and is to be taken into account in future policy development. It includes an unequivocal statement about the role and importance of Australia's copyright system for Australia's creative industries.

The First Nations First pillar, among other things, includes enhancing the Artists' Resale Royalty Scheme, which pays artists a percentage of the sale price of certain resales of artworks. Copyright Agency has been re-appointed by the Government this year to continue to manage the Resale Royalty Scheme.

The Chair noted that the scheme has generated more than \$13m in royalties since it started in 2010, including \$1.8m generated in 2022-3. The Government has committed to extending the scheme to Australian resales of works by artists from countries with similar schemes, which will enable Copyright Agency to collect royalties for Australian artworks resold overseas and for artworks from other countries that are resold in Australia.

Copyright Agency has also worked constructively with the Attorney General's Department on various copyright issues this year. The Attorney General commenced a copyright roundtable process in February, identifying five issues for consideration, including remote learning and artificial intelligence. Copyright Agency participated in the inaugural and two subsequent roundtables, and it will participate in the final roundtable on 4 December.

The Chair noted there is one issue which has emerged this year which presents challenges, threats and opportunities, which is of course AI. In particular, generative AI applications like Chat GPT, have become an enormous, complex and rapidly changing challenge for all areas of society, including policy makers.

The Chair continued that AI will have a profound effect on all areas of society, including on business, members' businesses, and members' professional lives. The Chair noted that there are many issues to consider, as the pace of development accelerates rapidly, sometimes ahead of adequate governance, safety and ethical settings. Copyright Agency is paying particular attention to the use of its members' content in the development of use of AI applications, and their entitlement to be properly compensated for the value of their work.

Copyright Agency's work on behalf of members this year has included participating in the Attorney General's copyright roundtable process, presenting to the Attorney-General's Department, making submissions to Parliamentary and Government inquiries, contributing to other policy development processes, engaging widely with policy makers, and rebutting proposals to water down the copyright legislation to the detriment of people working in the creative industries. Those pushing proposals to water down the copyright legislation include major multinational technology companies that have been developing AI products using Copyright Agency members' works without compensating them for the value of those works to the AI development process. Experience has shown that these companies do not willingly pay for the content they use to develop their products, and Copyright Agency is calling on the Government to require companies that want to do business in Australia to be transparent about the development of their AI products, and to compensate Australian writers, artists and publishers whose works they have used.

The Chair continued that Copyright Agency acknowledges the enormous potential for AI to deliver good social outcomes, but it also wants to see governance settings that deter unethical, unfair and even dangerous developments. Copyright Agency has recently published a short statement summarising its position on AI. Copyright Agency is particularly calling on the Government to resist any pressure to water down Australia's copyright legislation, which it does not see as appropriate or necessary, and which would jeopardise the interests of its members. The Chair noted that Copyright Agency does call on Government instead to require AI developers to disclose the content that they are using in connection with AI development. This should particularly apply to large users, digital platforms, and specialist users.

The Chair noted that the recent member survey showed that a large proportion of our members are concerned about AI and uncertain about what it means for them. It is therefore important that organisations like Copyright Agency continue to work on this issue to protect and further the interests of the creative sector as AI further develops and grows.

Copyright Agency will continue to engage closely with members on AI developments and what it is doing on their behalf.

The Chair acknowledged Copyright Agency's gratitude to its members for their support, and also appreciated their constructive suggestions for some things that it could do better. Among other

things, Copyright Agency is working on ways to better engage with different segments of our membership on the things that matter most to them.

Annexure C

CEO's Address

The CEO began by giving an update on the senior management team, namely that Arthur Baker stepped down from the Board back in June to take up the Director of Strategy and Innovation position with the Company, noting the benefit of his extensive industry experience.

The CEO also noted that Anne Milne joined the senior management team in April, as Director of Corporate Services, noting that Anne will be leading the Finance, IT, Human Resources and Data and Rights teams at the Company.

The CEO spoke about Government's national cultural policy, Revive, a much-welcomed plan for the creative industries sector in Australia. Based on five key pillars, it acknowledges the central importance of Australia's creative sector, as well as specific investment in the creative sector including for the visual arts and writing. The policy includes recognition of the fundamental role of the copyright system to encourage ongoing investment in Australia's creative sector, and which supports the success and vibrancy of Australia's cultural life. The CEO highlighted the importance of having such an acknowledged by Government.

The CEO continued that the senior management team and Board are also very pleased that Copyright Agency is in a period of stability with copyright fees from the education sector. Copyright Agency has an agreement with the school sector for 2023 to 2025, with an option to extend to 2026. This agreement extends the existing licence fee payable by the schools, providing certainty for both parties and enabling us to continue distributions to our members for the use of their content. As you know, we have sought the assistance of the Copyright Tribunal to determine a modern data collection methodology in schools, that uses technology to reduce burden on teachers. These proceedings continue in the Copyright Tribunal.

The CEO continued that Copyright Agency has also reached an agreement with the university sector on copyright payments for 2023 to 2026. Again, this agreement brings certainty for our members and fair compensation for the use of their valuable work in our highest educational institutions. It is hoped that the end of the long-running dispute on this matter will enable the parties to work constructively on issues such as improving our data collection and other issues of mutual benefit.

The CEO indicated that Copyright Agency's focus now is getting new data collection methodologies in place, using modern technologies and minimising teacher burden. This is taking longer than hoped for the school sector, even with the assistance of the Copyright Tribunal, but Copyright Agency is now well progressed and looking forward to reaching a resolution soon. For the university sector, Copyright Agency has participated in a joint working party with the sector since March. In the meantime, the sector is continuing to provide data on electronic use from a sample of universities.

The CEO thanked the Copyright Agency staff on these successes for the Company and members; and also thanked the Board for their support steering us through these ventures.

The CEO then turned to some key aspects of the company's performance over the financial year.

The CEO indicated that the total revenue recognised for 2022-23 is \$127.7m, slightly up from \$127.4m in the previous financial year. This is revenue attributable to the financial year, rather than cash receipts, so does not include the additional fees from the university sector for 2019 to 2022.

Copyright Agency distributed those additional fees, totalling nearly \$47m, in March this year and allocated more than \$96m from copyright fees from other sources. In total, allocations of more than 36,000 recipients, directly and indirectly, were made.

The CEO continued that Copyright Agency now has more than 39,000 members, including nearly 700 new members in the last financial year. Most members are writers, artists, publishers and surveying firms. Members also include agents, such as literary agents, art centres and other copyright management organisations, who pass on payments to their clients and members.

In July 2023 Copyright Agency invited members to participate in the member survey, and nearly 2,000 from a range of industry sectors took part.

In the survey, most respondents said that:

- copyright payments were important to them;
- advocacy by Copyright Agency on their behalf was important to them;
- they are concerned about the implications of artificial intelligence for their profession or business; and
- they would speak positively to others about Copyright Agency.

The CEO thanked members for taking the time to make constructive suggestions on some things that Copyright Agency can do better.

In relation to distributions to content creators, the CEO indicated that Copyright Agency allocated more than \$96m from copyright fees, in addition to the \$47m additional fees from the university sector for 2019-22.

Those fees are principally from the education sector, but also from other sources that include governments, annual commercial licences, media monitoring organisations, sales of survey plans, overseas copyright management organisations, and artwork licences.

The CEO spoke about the Resale Royalty Scheme and its generation of more than \$13m in royalties since it began in 2010. The scheme benefits artists at all stages of their careers, from emerging to senior, remote to regional to metropolitan, and 65% of artists receiving these royalties are Aboriginal and Torres Strait Islander artists.

The CEO spoke about the importance of the Government's commitment to extending the scheme to recognise other countries with similar schemes, and to providing Copyright Agency with financial support that will enable an upgrade to its systems to support this.

In relation to the Cultural Fund, in accordance with Copyright Agency's Constitution, 1.5% of licence fees collected from statutory and voluntary licences is allocated to support writers, visual artists, publishers, and other creative organisations through the Cultural Fund. For the year 2022-2023, \$1.61m was approved through the Cultural Fund for 102 projects in Australia.

The CEO indicated that the Cultural Fund supported an impressive array of projects across the creative sector, funding initiatives such as Boomalli Aboriginal Artists Co-operative's engagement program, State Library of Queensland's black&write! Editor training, and UNSW Press Bragg Prize for Best Australian Science Writing, among many other projects that keeps creative culture thriving.

The Cultural Fund also allocates around \$100,000 a year to the Copyright Agency initiative, Reading Australia, which supports the teaching and reading of Australian literature in schools. Launched in 2013, Reading Australia celebrated its 10th anniversary this year and now provides 275 resources for teachers, from Foundation to Senior Secondary levels. Reading Australia now has almost 26,000 total subscribers, and its reach and impact continues to grow. The CEO noted how proud Copyright Agency is of the initiative and the difference it is making in schools across the country.

The CEO indicated that total expenses met from deductions from licence fees during 2022–23 were \$18.7m.

The main factor contributing to cost is staff, who are responsible for the negotiation and collection of licence fees, the collection and processing of data for distribution, the member services team, and the information technology infrastructure.

The operating costs as a proportion of our total revenue sit at a ratio of 14.7%, similar to the ratio for the financial year 2021-22, which was 14.2%. Some expenses were met from reserves (totalling around \$0.8m).

Since July 2022, unpaid allocations (rollovers) have been included in funds for distributions which has the effect of a slightly higher administrative fee but is largely balanced by increasing the pool for distribution.

To guide us going forward, Copyright Agency has the following strategic objectives:

- Better serve our members
- Ensure equitable returns for members
- Maximise new business/opportunities
- Advocacy
- Organisational Excellence

Feedback from members, including from the recent member survey, is key to the realisation of the objectives.

The CEO spoke about the need to stay informed of developments in the external environment, including policy settings that affect copyright payments to members. Copyright Agency has been actively engaged with policy makers and key stakeholders to keep the copyright system functioning well for Australia's creative industries, including for all the people working in educational publishing. This includes keeping a close eye on policy settings relating to AI, and consulting widely with stakeholders, so that beneficial opportunities for members remain open.

The CEO closed by acknowledging all the staff at Copyright Agency, and thanked the senior management team, each department, and every employee, who are contributing to the experience of members. This resonates in the positive comments submitted in the member survey about the general opinion towards Copyright Agency, and its impressive satisfaction rating. This affirmative

feedback is the motivation needed to continue fighting for, and championing, Copyright Agency members and the Australian creative industry.