Annual Review 2015
A YEAR OF COLLABORATION AND GROWTH
PPL licenses recorded music when it is played in public or broadcast on the radio and TV, as well as certain uses on the internet, and then distributes the revenues collected to its record company and performer members. Established in 1934, PPL exists to ensure that those people who invest their time, talent and money to make music are fairly paid for their work.

Our mission is to manage the sound recording rights entrusted to us by our members, maximise their earnings from the broadcast and public use of those recordings both in the UK and globally, and distribute them in the most efficient manner possible.

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365,000
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10 million+
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Performers and recording rightsholders paid

£197m
Revenue collected

£169.8m
Distributable revenue
Chairman’s Statement

It was a great honour to be asked to take over as Chairman of PPL from January 2016 and it is with relish that I take on the somewhat daunting task of succeeding my old friend and colleague, Fran Nevrkla OBE.

My background is that of a performer; and I spent 25 years working as a professional musician. I took up a full-time post with the Musicians’ Union (MU) in 1994, becoming MU General Secretary in 2003. In addition, with my UK role I am President of the International Federation of Musicians (FIM), a post which I have held since 2004. This international work has meant that I have been at the forefront of campaigning and lobbying on behalf of not just performers, but all of the creative industries. It has also given me a working relationship with collective management organisations (CMOs) across the world and I know that this will be of great value in fulfilling my new role at PPL.

My close association with PPL began in the late 1990s when I was heavily involved, due to my role at the MU, in ensuring the practical implementation of what was then the new performers’ right to equitable remuneration for broadcast and public performance. Then, after the merger of the two performer CMOs, AURA and PAMRA, into PPL in 2006, I became a performer director of the newly constituted PPL. In those early days there were a number of obstacles to overcome, not least the age-old tensions between artists/performers and the record labels. After a number of years and much patient, persistent work, these difficulties were not just speedily overcome, but firmly committed to history. The 21st century PPL is a modern, collaborative producer/performer CMO that works to protect the rights and to enhance the income of both of its constituent parts.

We are now embarking on another period of change in the form of the planned joint venture with PRS for Music. This will undoubtedly bring benefits in the form of enhanced revenue to members and simpler, more understandable procedures for businesses needing a public performance licence.

I hope that my many years of experience working on performers’ rights issues will be of benefit to both the record company and performer members of PPL and I look forward to growing my role as an advocate of the benefits of the collective management of rights.

I close by thanking the PPL Board, the Performer Board and the Executive Directors and staff at PPL for the welcome and the support that they have given to me during my first few months.

John Smith, Chairman
CEO’s Statement

I am delighted to report a very strong performance by PPL in 2015. We grew each of our three key revenue sources of broadcast, public performance and international, and we made really good progress on a whole range of our operations, which we have highlighted in the section on our performance against the top ten priorities for 2015. We have then expanded upon some of those achievements in the remainder of this annual review.

In 2015 we collected more revenue than ever before. We also paid out more money, faster, to more members than ever before, as well as further developing the detailed statements we provide in support of those payments. I was particularly proud that over 65,000 performers received at least one payment from PPL in 2015.

2015 also saw PPL make ‘session fund’ payments for the first time to session musicians following the implementation of Copyright Term Extension across EU member states, making PPL the first, and so far still the only, CMO in the EU to do so. In this first year, the supplementary remuneration payments from the session fund only covered recordings from 1963 and, whilst the initial payments were relatively small, this is an area where the payments will continue to increase as further years of recordings enter their extended copyright term.

In addition to revenue growth, we remain committed to further development of our services (as part of which our people strategy is an important area). The progress that we are making on customer service for our licensees and members can be seen in the feedback we receive from licensees and members and also from independent sources. I am very proud of PPL qualifying for the finals of both the UK Customer Satisfaction Awards and the Employee Engagement Awards in 2015, and going on to win our category at the Employee Engagement Awards.
We have further developed our working relationships with other CMOs. In the UK our relationship with PRS for Music continues to strengthen. We have now announced plans to create a joint venture to conduct public performance licensing for both PPL and PRS for Music meaning that our licensees will shortly only have one organisation to deal with to secure the appropriate music licences for their business. This is a very significant development and we are now involved in all of the hard work that is needed to build the joint venture and for us to be able to commence joint operations from 2017.

On the international front we have been working closely with dozens of overseas CMOs to develop the way in which data and money are exchanged between CMOs. While PPL has already become the market leader for international collections for record companies and performers, PPL’s members should benefit significantly from more efficiency and accuracy across the global community of CMOs if that can be achieved, which is why it is such a key priority for us.

I would like to thank the members of the PPL Board, the Performer Board and our various committees for their continued insight, support and governance.

Finally, I would like to thank all of the PPL staff for all of their tireless help, dedication and support in delivering against an ambitious agenda and for enabling me to present such a good set of results for 2015.

Peter Leatham, CEO

I was particularly proud that over 65,000 performers received at least one payment from PPL in 2015.
PPL’s Company Strategy serves as the roadmap for our key activities during the year and helps us deliver our strategic business goals. The ten headings identified for our Company Strategy in 2015 were a continuation of the key areas of focus from the previous year, as we built further on those important areas. These then formed the basis of our planning, target setting and performance management at all levels of the company during the year.
Our ten key areas of focus in 2015:

01 Maximise our net distributable revenue
02 Maximise the pay-out of 2014 collections
03 Deliver a first-class licensee experience
04 Deliver a first-class member experience
05 Further develop our people strategy
06 Pioneer the management of sound recording data
07 Further develop the accuracy of our distributions
08 Engage with copyright developments and regulatory matters
09 Support international data improvement initiatives
10 Further develop joint working with PRS for Music

The next five pages set out a top line summary of some of our key achievements in each of these top ten areas.
Maximise Our Net Distributable Revenue

Broadcast
Concluded a number of key TV broadcasting licence renewals, including BBC Worldwide, ITV and Turner Broadcasting.

Public Performance
Delivered 10% growth in public performance and dubbing revenue through increased market penetration and improved internal processes.

International
Signed new international agreements with CMOs including MAHASZ (Hungarian recording rightsholder CMO) and SAWP (Polish performer CMO).

Maximise the Pay-Out of 2014 Collections

Payments
Over the course of the year, made payments to 65,061 performers and 6,113 recording rightsholders.

Pay-Through Rate
Paid out 94.1% of 2014 collections by 30 June 2015.

Copyright Term Extension
Became the first European CMO to pay out supplementary remuneration under the EU Directive extending copyright in sound recordings, with amounts from 2014 (for recordings from 1963) allocated to 1,200+ performers.
Simplified Licensing For Schools

Agreed a three-year deal with the Department for Education to license non-curricular use of music by over 20,000 schools through a single, centralised arrangement.

Process Improvements

Delivered changes to our collections process, with a positive impact on customer satisfaction survey scores, and added hairdressers and beauty salons to our growing range of licences available online.

Licensee Outreach

Undertook a range of activities as part of our ongoing activities to raise music licensing awareness, including trade show attendance, trade press advertising and radio coverage.

myPPL Improvements

Delivered a series of improvements to the myPPL member portal to enhance its functionality, look and feel, accessibility and usability, which generated very positive member feedback.

Member Outreach

Attended a range of UK and international events to connect with recording rightholders and performers, and hosted more PPL in Session briefing events than ever before, with increasing numbers of members participating.

UK Customer Satisfaction Awards

Reached the finals of the UK Customer Satisfaction Awards in 2015, in recognition of our Member Services team’s commitment to enhancing the overall customer experience of our members.
Further Develop Our People Strategy

Employee Survey
Conducted our employee survey, with very positive results compared to the previous survey in 2013 and when benchmarked against national averages.

Reward and Recognition
Carried out a review of PPL’s Reward and Recognition strategy, for which PPL won its category at the national Employee Engagement Awards.

HR Technology
Continued to develop our HR technology platform in order to streamline our processes and measure cost efficiency.

Pioneer the Management of Sound Recording Data

Repertoire Data
Loaded over 21,000 new recordings into the Repertoire Database each week (on average) during 2015, with over 1.1 million recordings being loaded in total.

Mandatory Performer Data
Implemented systems changes to support the policy that recording rightsholder members must supply a certain level of mandatory performer line-up data when registering new repertoire with PPL.

Bulk Repertoire Submissions
Successfully piloted a new facility making it easier for recording rightsholders to provide repertoire data to PPL in bulk, with the next step being a wider roll-out in 2016.
**Further Develop the Accuracy of our Distributions**

**Orchestra Distribution**
Paid out £2.1 million to UK orchestras, comprising international payments from overseas CMOs which lacked supporting data and therefore required extensive work by PPL to develop and implement an appropriate distribution model.

**Music Usage Data**
Processed more usage from more sources than ever before as part of the June 2015 distribution, through obtaining additional playlist data from licensees and improvement and automation of music reporting processes.

**Audio Recognition Trial**
Undertook an initial trial of audio recognition technology in nightclubs (jointly with PRS for Music) as part of evaluating a potential future role for such technology in further supporting distribution methodology.

**Engage with Copyright Developments and Regulatory Matters**

**Collective Rights Management (CRM) Directive**
Continued to prepare for UK implementation of the CRM Directive, including participating in the UK Government’s formal consultation and subsequent technical review process.

**Board Structure**
Created an additional Performer Director position on the PPL Board (to be elected in 2016), bringing the total number of Performer Directors to six.

**APM Online Voting**
Introduced online voting for performers to elect directors at the Annual Performer Meeting, leading to over three times more votes being cast than in 2014.
Support International Data Improvement Initiatives

Business Services
Provided further repertoire matching and distribution services to overseas CMOs, including AGATA (Lithuania), EFU (Estonia) and LaIPA (Latvia), to help improve the accuracy of their payments.

VRDB2 Project
Continued to take a lead role on the design and governance of the VRBD2 project, working closely with many CMOs on this initiative to improve the effectiveness of exchanging performer data and payments at international level.

International Collaboration
Continued to develop relationships with a range of overseas CMOs, focusing particularly on exploring opportunities for further international collaboration on data, systems and shared standards.

Further Develop Joint Working with PRS for Music

Joint Awareness Raising
With PRS for Music, carried out awareness raising activities aimed at both licensees and members, including joint marketing and joint attendance at business trade shows and music industry panels.

Joint Radio Audits
Worked with PRS for Music to launch a new joint audit programme for commercial radio stations, intended to make the audit process simpler for licensees.

Strategic Review
Undertook jointly with PRS for Music a strategic review of the opportunities to work more closely together, culminating in the announcement in early 2016 of a proposed public performance licensing joint venture.
Revenue collected & distributable revenue

£197m
Revenue collected
↑5%

£169.8m
Distributable revenue
↑5%
Financial Summary

PPL’s total revenue in 2015 was £197 million, an overall increase of 5% on 2014, with annual growth delivered across both UK and international collections. This was achieved at a cost-to-revenue ratio of 14.2%, maintaining a similar rate to 2014 (14.1%).
2015 Revenue

£75.9m
Broadcast
↑3%

£36.7m
International
↑1%

£84.4m
Public performance and dubbing
↑10%

2015
Revenue

£75.9m

International
£36.7m

Public performance and dubbing
£84.4m

Broadcast
↑3%
2015 Revenue

Broadcast
An overall growth in broadcast licensing revenue of 3% was delivered during 2015. This was largely achieved through PPL’s licensing of the commercial radio sector, which saw a further annual increase of 4%, following a similar performance in the previous year. In addition, PPL benefited from annual increases in existing long-term licensing arrangements with the BBC and all major commercial television broadcasters. Here, licensing agreements have been designed to both reflect the continuing use of music in linear broadcasting and to ensure coverage of the increasing use of digital services by audiences in the UK.

Public performance and dubbing
With annual growth of 10%, public performance and dubbing licensing had another successful year in 2015, continuing the pattern of substantial growth over the past five years. PPL has delivered to members a 68% increase in public performance and dubbing revenue since 2010. Growth in 2015 was achieved across a range of sectors, through increased market penetration and improved internal processes. This was also aided by continued collaboration with PRS for Music in areas of joint working.

International
PPL collected £36.7 million through its agreements with international CMOs in 2015, which represents a 1% increase on 2014 (equivalent to 5% growth on a currency neutral basis). As well as a fall in the value of key foreign currencies, including the Euro, revenue growth was affected by delays in distributions by some CMOs.

Anti-piracy and industry contributions
In 2015, PPL made anti-piracy and industry contributions to the following: BPI (£1,826,029), IFPI (£611,083), UK Music (£519,584), Impala (£66,000).
In this section we look in more detail at our three revenue streams: broadcast licensing, public performance licensing and international collections. We worked hard during the year not only to maximise revenue but also to make further improvements to our services to members, and this section summarises those developments as well.
Broadcast revenue grew by 3% to £75.9 million in 2015, with growth in both radio and TV licensing driving this performance.

**Radio**
Commercial radio continued to grow in 2015, with a recovering advertising market contributing to an increase of 4% in licence fees paid to PPL year on year. PPL continues to actively engage and collaborate with the wider radio industry, including the sponsorship of events held by The Radio Academy and the Student Radio Association and by supporting the Hospital Broadcasting Association.

A new method of local radio broadcasting, small scale DAB, was launched by Ofcom and licensed by PPL in 2015 generating nearly 50 new licences and providing a new path for tomorrow’s radio talent to follow. PPL also extended its ‘self-service’ online licensing facility, adding licences for hospital and student radio to the service. PPL now offers seven radio licences for immediate purchase online, making the process of acquiring a licence simpler and quicker.

**Television**
Commercial television revenue grew by 3% in 2015. New multi-year licences with ITV and with BBC Worldwide were agreed alongside licences from a host of smaller broadcasters. Turner Broadcasting entered into a new multi-year deal for the transmission of their channels from the UK to Europe and beyond.

Whilst traditional UK television audiences have plateaued in recent years, PPL has continued to secure growth through developing and adapting licences to cover catch-up TV and other digital services. These licences enable the continued use of PPL members’ repertoire throughout the television production cycle, from the initial copying and UK broadcast through to subsequent new media uses, such as catch-up services, and sales in the international television market.

**Joint audit programme**
2015 also saw PPL and PRS for Music enter into a new joint audit programme for commercial radio stations, aimed at making the audit process simpler for licensees. The first audit has now been successfully completed and the programme continues into 2016.

PPL has continued to secure growth through developing and adapting licences to cover catch-up TV and other digital services.
Public Performance and Dubbing

In 2015 our Public Performance Operations (PPO) team continued to deliver strong growth. Public performance and dubbing revenue for the year totalled £84.4 million, a 10% increase year on year. Of this, £76.3m was public performance revenue and £8.1m was dubbing revenue, where PPL licenses the commercial copying (dubbing) of recorded music by specialist companies that supply music systems to businesses for the playing of recorded music.

Licensing developments
The revenue increase in 2015 was supported by the delivery of a new collections process which automated the majority of activities. We have seen good results from this project, with a significant rise in early payments from customers. In addition, the new process has had a positive impact on the licensee experience with customer satisfaction survey results rising. So that this positive experience is further enhanced we have also extended our online licensing offer by adding the Hairdresser and Beauty Salon tariff to this facility. This means that now even more customers have the ability to pay for their licence through the ease of an online process, which is very much valued by this busy sector.

We also launched new call quality standards to benchmark on a monthly basis the quality of both our incoming and outgoing calls to customers. The new standards focus on the value that PPL can add to the customer and to their business by improving customer experience and loyalty. The new standards are about the overall experience of interacting with PPL, rather than just the compliance aspect of buying a licence.

Driving awareness
We also undertook a variety of activities to drive awareness, helping businesses and the general public better understand who we are and when a PPL licence is needed. For example, we teamed up with one of our broadcasting licensees, Bauer City 2
radio network, to compile and broadcast an exclusive chart of the Most Played Motown Songs of the 21st Century. Around 683,000 people across the UK listened to this chart throughout the August Bank Holiday. PPL was mentioned throughout the broadcast along with an explanation of what we do and the important role we play. In December 2015 we publicised PPL’s Most Played Christmas Track of the Year. The chart featured in The Telegraph, The Sun and was broadcast on 45 local radio stations across the country, reaching a potential listenership of over 4.5 million people.

Our Exercise to Music campaign secured coverage in almost 20 media outlets ranging from DailyStar.co.uk to Health & Fitness magazine. We were also proud to win the Best B2B Campaign Award at the Drum Search Awards 2015 for our pay per click online advertising campaigns promoting the need for a music licence. Throughout 2015, we also attended a wide range of shows and events in the UK, including The Restaurant Show, Fitpro and The National Business Show to further raise awareness in these sectors.

**Working with PRS for Music**
Our partnership with *PRS for Music* continued to grow throughout 2015. Our long-term data sharing agreement continued and we ran refreshed campaigns during the year, contributing to 2015’s successful performance in terms of revenue. We worked closely with *PRS for Music* on establishing a schedule of joint meetings with some of our larger customers to continue to ease the licensing process for them. These meetings have been well received by our customers and we have used them as a platform to improve both internal and external processes. With the announcement in early 2016 of the intention to create a joint venture with *PRS for Music* in this area, PPL is seeking to make a long-term commitment to deliver revenue growth and operational efficiencies for a number of years to come.
International revenue by country

- USA £9.6m
- Germany £4.8m
- Belgium £3.8m
- Netherlands £3.7m
- France £1.7m
- Spain £1.4m
- Japan £1.5m
- Denmark £1.3m
- Norway £1.0m
- Sweden £1.0m
- Others £6.9m
Total international collections in 2015 grew 1% in cash terms to £36.7 million. This was a 5% growth on a currency neutral basis.

PPL’s largest market for international collections continued to be the USA (£9.6 million) which accounted for 26% of international revenue. Significant sums were also received from Germany (£4.8 million) and Belgium (£3.8 million) as backdated revenue was paid through from these countries.

New international agreements
PPL continued to expand its global reach. During 2015 new agreements were signed with CMOs including MAHASZ (Hungarian recording rightsholder CMO) and SAWP (Polish performer CMO) and first time payments were received under agreements with record company CMOs in Croatia and Malaysia.

Maximising distribution
PPL also continued to work closely with CMOs across the world to maximise the amounts distributed by those CMOs to PPL for onward payment to our members. We do this through a range of activities, including improved data management and, where necessary, challenging any operational processes or distribution methodologies which we believe prevent our members from receiving the full level of payments they deserve. In 2015, increased revenue was collected from a number of CMOs (including those in Germany, Finland, Italy and Austria) as a result of ongoing work by PPL.

Whilst some of these activities can come to fruition in the short-term, others form part of a longer-term drive (in collaboration with other CMOs) to improve the overall functioning of the international collections market. These include projects to further improve data exchange processes through the implementation of a standardised Digital Data Exchange (DDEX) format and the further development of the International Performer Database (operated by SCAPR, the international umbrella organisation for performer CMOs). Another key project is VRBD2, which is seeking to deliver a more effective solution for the international exchange of performer data and payments – see the Technology section on page 32.

Territorial sound recording rights
In the global music market, record companies will often own different rights, in different recordings, across different countries. Managing this matrix of information is therefore an important part of the international collections process and, in 2015, PPL delivered further improvements regarding the management of territorial sound recording rights information within PPL’s repertoire database. These improvements make it easier for recording rightsholder members to deliver to PPL details of their ownership of sound recording rights in each country on each sound recording they own. Following the implementation of these improvements, PPL loaded and processed over 4 million lines of territorial rights data from its recording rightsholder members in 2015. This enabled us to deliver territorial sound recording ownership details for over 1.3 billion recordings to CMOs as part of our international collections activity.

Business Services
In 2015, PPL continued to offer repertoire matching and distribution services to CMOs in the Baltic States under the banner of Business Services (having launched this initiative the year before). Initiatives such as this help to increase efficiency in the international collective rights management market (by reducing the need for duplicated investment in IT systems by multiple CMOs) as well as increasing the level and accuracy of the payments being made by those other CMOs.
Member Services

The Member Services team is proud to continue to deliver excellent service to an ever-growing number of record company and performer members and we were delighted that in 2015 the team again made it to the finals of the UK Customer Satisfaction Awards.

Outreach activities

We are keen to meet members face-to-face and our team therefore attends multiple music industry events to increase awareness of PPL, help new members join PPL and reach out to our existing members nationwide. PPL attends a wide variety of events in different capacities, including speaking, panel participation, member workshops and educational activities. In 2015, these included, amongst others, The Great Escape music festival in Brighton, Wide Days music conference in Edinburgh and Liverpool Sound City. The Member Services team were also at Bring It All Home, a music festival based in Paisley, Scotland and the Ultimate Music Seminar conference in London. Internationally, representatives from PPL attended Canadian Music Week, South by Southwest (SXSW) in Texas, USA and MIDEM in Cannes, France. Overall PPL was present at over 52 events.

Closer to home, we continued with our popular monthly PPL in Session events held in our office and online via WebEx. These interactive events provided guidance for members on a range of topics, such as registering repertoire correctly, learning about our international collection service and using myPPL to keep their PPL accounts up to date.

Improvements to myPPL

In 2015, we delivered some important improvements to myPPL, the secure online self-service portal used by our members to manage their PPL accounts. This followed the preparatory IT development work undertaken in 2014 to enable these changes to be progressed. The changes were driven by feedback from members via a monthly member survey, direct contact and also through the experience and expertise of PPL’s staff. The result is better functionality, accessibility and usability of myPPL for both members and staff.

The improvements to myPPL include simpler navigation and improved, icon-based, access to payments and account information. For example, we have made it easier for members to find the statements and revenue analysis reports that PPL generates for each distribution. We have also simplified the log in process, improving access to certain myPPL functions. We have also improved how we audit and respond to the performer claims process and the layout and functionality of the system used by Member Services to manage contact with our members. All the changes have received positive member feedback.

Member payments

Most importantly, in 2015 we distributed more money, to more members, than ever before. During the year, PPL was able to pay a total of 65,061 performers and 6,113 recording rightsholders.

A particular area of focus was on members for whom PPL did not hold all the relevant details to enable payment to be made. The reasons can range from a member having changed bank accounts without notifying PPL, to more complex matters such as when a performer dies but does not leave a will. As a result of putting extra focus on this area, PPL was able to pay out in excess of £1 million in additional monies.
Number of members paid in 2015

Performers: 65,061
Recording rightsholders: 6,113
Technology

In 2015 PPL restructured its IT function. This restructure progressed very smoothly and was in place by the end of March 2015 and now delivers a more agile response to the evolving needs of PPL.

As described in the other sections of the Business Review, PPL deployed a range of technology driven improvements across the business in 2015, including the extension of our online licensing facilities for public performance and broadcast customers and the delivery of some very positive changes to the myPPL member portal. In this section, we summarise some of the other key technology developments during the year.

Repertoire database improvements
We made changes enabling our repertoire data specialists to lock down the performer line-up on a recording where it is accurate and complete. Given the vast scale on which data is supplied to PPL by record companies, this can sometimes inevitably include some erroneous performer data, which can be resubmitted if for example the record company needs to provide updates to other aspects of the data or if a different record company acquires the repertoire. By ‘locking down’ the line-up, PPL can ensure that the extensive work that is done by PPL to research and refine the performer line-up on recordings is preserved.

In addition, we delivered the system changes necessary to support PPL’s mandatory performer data requirements. We also developed a solution enabling PPL to receive and register large volumes of repertoire data submitted by recording rightsholders via Excel spreadsheets, if members wish to use that option, making it easier and more efficient for them to register repertoire in bulk. The next step is
to roll out this solution more widely in 2016.

**Music matching improvements**

We successfully implemented enhancements to the speed and power of our usage and matching systems, through a combination of software and hardware changes. This has delivered improvements in all key metrics around our matching performance.

**International projects**

Supporting our international collections activity, the PPL IT team continued to play a vital role in the SCAPR-led VRDB2 project throughout 2015. PPL has played a key role in the design and governance of this project, which is focused on delivering a far more efficient exchange of performer payments between CMOs. The project progressed extremely well through 2015 with a significant part of its functionality being successfully developed and tested. In the final quarter of the year, PPL submitted large volumes of data to test out VRDB2’s repertoire processing capabilities.
Our people

- 26 Long service milestones
- 24% 5 or more years’ service
- 292 Members of staff
Our People

PPL’s business is driven by our people. Our people strategy aims to develop and drive positive performance and behaviour across the company resulting in high levels of retention and engagement.
Employee engagement
At PPL, employee engagement is a priority. It has been proven to positively impact on results, productivity, quality and customer satisfaction. In addition, it contributes to reduced absence and lower staff turnover.

PPL values the views of its staff. The bi-annual employee survey carried out in 2015 gave the opportunity for staff opinions to help shape the future of PPL and to create a workplace to be proud of. The headline result of the survey was the internal engagement score, which combines a number of aspects of the survey to give an overall indicator of staff engagement. Our score was 4% higher than two years previously, which was also a 7% increase compared to four years ago and 5% higher than the external benchmark.

Reward and recognition
PPL places considerable importance on the appropriate reward and recognition of staff and, after undertaking a review in this area, launched a new reward strategy in 2015.

The new reward strategy is more cost-effective and better aligned with the demographic of our workforce, meeting the needs of PPL and its staff. The new benefits offering has allowed PPL to reduce qualifying periods for certain benefits, introduce some new benefits, reduce cost and ensure benefits are relevant and accessible to all employees.

PPL was acknowledged for this initiative by winning the Reward and Recognition Award at the 2015 Employee Engagement Awards. This award is given to a company that ties their reward and recognition strategy to business objectives and engages employees beyond simple transactional elements such as salary or private medical insurance.

In 2015, a number of our employees reached long service milestones. James Coello (Dubbing) was recognised for 20 years’ service, Carla Walsh (PPO), Karen Norton (PPO), Candida Leyshon (Legal and Business Affairs) were recognised for 15 years’ service and Julia Curtis (Directorate), Chris Barton (Finance) and Richard Stewart (Tariff Development and Dubbing) were recognised for 10 years’ service.

HR technology
Throughout 2015 we have continued to improve functionality within People Records, our HR and payroll system introduced in 2014. We moved our appraisal process into People Records and held training workshops for staff to support this. Storing and managing appraisals and objectives in People Records streamlines the process and provides better management information in a number of areas, including development requirements and understanding the alignment of objectives to PPL’s top ten key areas of focus.

Since November 2015 we have incorporated the receipt of CVs into People Records as part of our recruitment processes. We can now monitor supplier performance more effectively as we can more accurately track recruitment agency applications. This enables us to determine our preferred supplier list for recruitment.
Corporate Social Responsibility

PPL is proud of its ongoing dedication to its CSR Programme. Whether it is ensuring that the PPL workplace remains a conscientious environment, donating funds to a number of charities or supporting numerous projects through sponsorship, PPL is passionate about giving back whilst moving the company and our people forward.
Corporate Social Responsibility

Our Charity of the Year
Each year PPL employees choose a charity that they would like to support as their ‘Charity of the Year’. For 2015 the PPL staff voted to support Mind, which aims to provide support and advice for anyone experiencing mental health issues. Mind also campaigns to improve services, raise awareness and promote understanding for better mental health.

Throughout the year PPL’s staff organised several fundraising events including tombolas, raffles and auctions. Our biggest contribution to fundraising came from staff involvement in external events. Some highlights include Mark Douglas along with Kiaron Whitehead from the BPI and Paul Scaife from Record of the Day (pictured above), who cycled 900 miles from Cannes to London in 6 days.

Stuart Fitzsimon ran the London Marathon and raised almost £2,000.

The Music Reporting team truly embodied the fundraising spirit in 2015. Russell Chant completed the Reading Half Marathon in March and Tim Silver pedalled the length of Britain from Land's End to John O'Groats in August. Two PPL teams (pictured above L-R Bryn Harry, Richard Read, Sarah Hopkins, Tom Smith, John Weedon and Callum Hartley) also completed the 2015 HSBC Triathlon in September.

Our target for 2015 was to raise £10,000 for Mind. Through these events and PPL staff’s support, effort and generosity, we exceeded our target and raised £14,169. We are extremely proud of their achievements.

“Mind would like to thank everyone at PPL for all their hard work over the last year to have raised an amazing £14,169. We are incredibly grateful for your support. We believe no-one should have to face a mental health problem alone and without your generosity we would not be able to provide people with the vital information and support that can change their lives for the better. Your support will help us improve services, raise awareness and promote understanding of mental health issues.”

Orlagh McCardle
Corporate Partnerships, Mind

For better mental health
Hospital Broadcast Association
PPL makes an annual donation to the national charity that supports and promotes hospital broadcasting in the UK. It currently consists of 227 individual broadcasting stations, representing a large number of volunteers. Patients in many UK hospitals benefit from programmes designed to make life better for people in hospital and aid their recovery.
www.hbauk.com

The Young Musicians Symphony Orchestra
The YMSO is Britain’s leading orchestra for young musicians on the threshold of their professional careers. It provides invaluable experience to those who are studying or have recently completed their training and exists to give these talented musicians the opportunity to rehearse and perform as well as receive coaching from top professionals and work with eminent conductors and soloists.
www.ymso.org.uk

Nordoff Robbins
PPL is a longstanding supporter of the music industry charity Nordoff Robbins which brings music’s transforming power to children and adults in need, through its therapy services, music and health projects and community music projects, as well as education programmes and research.
www.nordoff-robbins.org.uk

British Association for Performing Arts Medicine
BAPAM’s mission is to achieve nationwide occupational health provision for professional, semiprofessional and student performing artists, including health promotion, education and clinical advice for performance-related health problems suffered by musicians, singers, actors, dancers and other performers.
www.bapam.org.uk

The Radio Academy
The Radio Academy is a registered charity dedicated to the encouragement, recognition and promotion of excellence in UK broadcasting and audio production. PPL is a key sponsor at the Radio Festival and other music related Academy events.
www.radioacademy.org

The BRIT School
The BRIT School is a free Performing Arts and Technology School. It is an independent state funded City College for the Technology of the Arts, dedicated to education and vocational training for the performing arts, media, art and design and the technologies that make performance possible. As a school for 14 to 19-year-olds, it is unique in its approach to education. Recognising that most of its students intend to make a career in the arts, entertainment and communications industries, it expects all students to follow full time courses to completion. It prides itself on providing an excellent general education that helps prepare young people for the future.
www.brit.croydon.sch.uk

The Young Persons Concert Foundation
PPL’s donations are used to fund workshops for schools in Soho and Westminster near PPL’s office. The Foundation, which is chaired by Lady Judy Martin and of which her husband, the late Sir George Martin, was a patron, helps young people to appreciate and enjoy music through educational workshops and live orchestral concerts.
www.ypcf.co.uk
Executive Management Team

L-R: John Smith, Chairman, Christian Barton, Finance Director, Kate Reilly, Director of People and Organisational Development, Laurence Oxenbury, Director of International, Peter Leatham, Chief Executive Officer, Mark Douglas, Chief Technology Officer, Christine Geissmar, Operations Director, Jez Bell, Chief Licensing Officer, David Harmsworth, Director of Legal and Business Affairs/Company Secretary.
Board of Directors

John F Smith
(Chairman) PPL
Roger Armstrong
Ace Records Ltd
Julian French
Universal Music Group
Nick Hartley
[PIAS]
Crispin Hunt
Performer Director
Mark Kelly
Performer Director
Peter Leatham
PPL
Martin Mills MBE
Beggars Group Ltd
Gerald Newson
Performer Director
Christine Payne
Performer Director (Equity)
James Radice
Warner Music UK Limited
Adrian Sear
Demon Music Group
Rt Hon Lord Smith of Finsbury
Independent Director
Michael Smith
Sony Music Entertainment UK Ltd
Peter Stack
BMG
Horace Trubridge
Performer Director
(Musicians’ Union)

Attendees

Steve Levine
Music Producers Guild
David Stopp
Music Managers Forum
Geoff Taylor
BPI
Alison Wenham OBE
AIM

Committees

Finance Committee
The Finance Committee is primarily tasked with reviewing and setting PPL’s revenue and costs budget each year, prior to ratification by the PPL Board, and to monitoring progress throughout the year.

Distribution Committee
The Distribution Committee’s primary function is to review and approve proposed distributions of revenue to PPL members and the rules and processes underpinning them.

Audit Committee
The Audit Committee is a forum for PPL’s auditors to talk directly to PPL’s Finance Committee about their audit work with PPL.

Remuneration Committee
The Remuneration Committee’s role is to review executive remuneration.
The People’s Charts

PPL’s annual ‘People’s Charts’ are compiled from music usage and airplay data from radio stations and television channels as well as public performance locations such as pubs, clubs, bars, jukeboxes and shops all across the UK.
Ludovico Einaudi dominates the PPL People’s Classical Chart once more. For the third time this decade *Primavera*, the use of which is ubiquitous, from well-known TV shows, BBC local radio and on high streets up and down the UK, tops the chart. In addition, *I Giorni* is at number two and *Le Onde* is three. With *Divenire* at five this means, that for the fifth year in succession Einaudi has at least four songs in the top ten.
At number one is *Uptown Funk* and, like Pharrell Williams’ *Happy* in 2014 and Daft Punk’s *Get Lucky* the year before, it truly is an anthem which, while forever associated with 2015, is set to be a timeless classic. Ellie Goulding’s *Love Me Like You Do* and James Bay’s *Hold Back The River* are respectively at two and three. For Ellie this marks her most successful song following *Burn* at 16 last year and 19 the year before, while James Bay makes his first appearance in the PPL People’s Pop Chart.
The PPL People’s 2015 Artist Chart

<table>
<thead>
<tr>
<th></th>
<th>Artist</th>
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<tbody>
<tr>
<td>01</td>
<td>Ed Sheeran</td>
<td>06</td>
<td>Sam Smith</td>
</tr>
<tr>
<td>02</td>
<td>Taylor Swift</td>
<td>07</td>
<td>Jess Glynne</td>
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<tr>
<td>03</td>
<td>Olly Murs</td>
<td>08</td>
<td>Years &amp; Years</td>
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<tr>
<td>04</td>
<td>Take That</td>
<td>09</td>
<td>Mark Ronson</td>
</tr>
<tr>
<td>05</td>
<td>Ellie Goulding</td>
<td>10</td>
<td>Maroon 5</td>
</tr>
</tbody>
</table>

Following Katy Perry’s success in 2014, it’s a Brit that reclaims the number one spot in the prestigious and very competitive Artist Chart. Congratulations to Ed Sheeran. He was number five in 2012 and then hit number three last year. His deserved success comes largely from the broadcast and use of the hugely popular *Thinking Out Loud*, *Photograph* and *Bloodstream* (with Rudimental). Taylor Swift is at number two whilst Olly Murs, for whom this marks a fifth successive year in the top ten, is at number three.
Our thanks to all contributors to this year’s Annual Review.

Photography
PPL People’s Pop Chart
Entry 6: © Ben Watts
Entry 8: © Brian Bowen Smith

PPL People’s Artist Chart
Entry 1: © Ben Watts
Entry 4: © Hamish Brown
Entry 8: © Andrew Whitton 2015

Page 42: Ed Sheeran
© Ben Watts

Page 8: John Smith, Chairman
Page 10: Peter Leathem, CEO
Page 40: Executive Management Team
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