

20 October 2025

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Copyright Agency Limited ABN 53 001 228 799

Dear Member,

As Chair of the Copyright Agency Board of Directors, I am pleased to share key updates from the past year and to invite you to read our Directors' Report and Financial Statements for the year ended 30 June 2025.

Artificial intelligence

AI has become the most consequential policy and commercial issue for our members, and has been a continuing focus for Copyright Agency over the past year. As you will all be aware, global technology companies have copied Australian content, without permission or compensation, in order to train their large language models. The Government has been under pressure to amend the law to legitimise this behaviour and assist AI developers.

Our position is straightforward. Australia should not weaken its copyright law in favour of companies who seek to use our stories and art to train their AI models without fair payment. Our copyright system provides the foundation for the creation of Australian stories, images and learning materials by ensuring that creators receive returns from their work and there is ongoing investment in the creative industries.

This should not be framed as a binary debate where the rights of creators must be sacrificed to ensure we can all benefit from the potential of generative AI and innovation. High quality content is an essential input to AI development. Future AI development itself depends on maintaining the incentives for ongoing creation of high-quality works.

The environment around AI is moving very quickly. New AI tools are being taken up rapidly in business and education, and AI integrated search engines are changing the way people find and use content. This increases the risk of unlicensed use, but also creates the opportunity for collective licensing that reduces legal risk for licensees, and delivers payments to members.

Our response is practical. We continue to work closely with policy makers, contribute to Government submissions and inquiries and coordinate with the Australian Society of Authors, the Australian Publishers Association, the National Association for Visual Arts, and other creative industry partners. We are extending licences that recognise generative AI related uses in business, and pursuing opportunities for licensing AI development and use in Australia.

Our members should be able to enjoy the economic benefits of any use or exploitation of their work. We will continue to work towards ensuring your rights are respected in a fair and ethical manner.

Financial outcomes

Our commercial footing remains strong and continues to support reliable distributions to members alongside measured investment in services and systems.

- Total revenue and income for 2024-25 of \$132.98 million (up from \$129.2 million in 2023-24);
- We paid \$112.36 million to members and rightsholders during the 2024-2025 year (up from \$103.3 million in 2023-2024);
- We collected \$1.5 million in artists' resale royalties;
- Our operating cost ratio, operating expenses as a share of total income, was approximately 15%.

Member survey

We continued to listen closely to member feedback. Overall satisfaction remains very high at 97% across our service channels. The areas rated most highly were responsiveness, clarity of statements and the helpfulness of staff. Members also told us that continued improvements to portals and self-service tools make it easier to manage details and understand payments. The most common requests were for more guidance on AI and clearer updates on timing of distributions.

We will keep acting on this feedback in the year ahead.

Cultural Fund and Reading Australia

Copyright Agency also invests into the creative ecosystem that underpins our licences through the important work of the Cultural Fund and Reading Australia. Cultural Fund distributions in 2024-2025 were \$1.962 million, funding 86 projects.

Some highlights of the last year:

- We celebrated six talented Australian authors whose novels were shortlisted for the 2025 Miles Franklin Literary Award, each receiving \$5,000 from the Cultural Fund;
- We highlighted new visual art through the third Copyright Agency Partnerships commission, James Barth's *The Clumped Spirit* at the Institute of Modern Art;

- We celebrated Michele Lee's 2025 Griffin Award for her new play *Snappy*, reflecting the strength of new Australian writing that our Cultural Fund champions across stages and festivals;
- Reading Australia added 11 new teaching resources for schools – six for primary teachers and five for secondary teachers; and updated 17 existing resources.

Challenges ahead

In addition to the substantial challenges presented by generative AI, 2026 will be a significant year for our existing licence activities. In 2026, we will renegotiate the remuneration agreements in respect of fees payable under the education statutory licence scheme, concerning our two largest licensees: the schools' sector and universities. I am confident that Copyright Agency, led by the CEO and our senior management team, will work as hard as possible to protect our members' rights.

On behalf of the Board, thank you for your membership and trust. We will keep working to secure efficient and fair licensing solutions for AI development and use, and to protect a copyright framework that is flexible and sustainable for the long term, underpinning ongoing investment in Australian art, writing and publishing.

I look forward to the opportunities that lie ahead in 2026.

Yours faithfully,



Dr Kate Harrison
Chair, Copyright Agency Board