

KEEPING THE MUSIC PLAYING

How MusiCares[®] Provided Hope and Healing in Unprecedented Times

MusiCares Annual Report | Fiscal Year 2020/2021

MESSAGE FROM THE EXECUTIVE DIRECTOR

Dear Friends of MusiCares,

Welcome! It's been a few years since we issued our last annual report, and much has changed since then. I'm so eager to share our story and inform you of some exciting developments as we reflect on this past fiscal year.

I joined MusiCares as our Executive Director in May 2020, only a few short months after we began the largest relief effort in our history. We could never have known that the music community would be sidelined — for almost two years now — by a pandemic of this magnitude. MusiCares is no stranger to helping people through difficult moments, having served the music community in times of need since 1989. But truly, nothing has reached the scope of the past two years. Since our COVID Relief effort began in March 2020, over \$28 million has been distributed to more than 38,000 music people and their families.

While the pandemic certainly created challenges for the music community, and MusiCares, it also provided us with great clarity of our mission: to help the humans behind the music, because music gives so much to the world. With the music community out of work for the foreseeable future, MusiCares stepped up to fulfil our role as a safety net for the industry.

But we didn't stop there. Although we processed a record-breaking number of applications, not all who would potentially need MusiCares was aware of our services. To address this, we built a proper Development Team to adequately fundraise, as well as a Partnerships and Marketing Team to build awareness, expand the reach of our programs and support groups, and ensure that a growing number of music professionals fully understand they have a safety net in MusiCares.

Additionally, we moved to a completely virtual model of programming. While it has taken getting-used-to, this model had a positive outcome: it allowed our programs to reach a broader client base, as our ability to provide assistance is not limited to location. We also focused on expanding our reach. MusiCares cares for all members of the music industry, and we know that certain cultural and socioeconomic barriers make it harder for underserved populations to seek assistance. As a result, we created three new support groups specifically for underserved populations, and doubled our outreach and aid to the BIPOC community. While we are proud of these accomplishments, this work is far from over. We are committed to not only sustaining, but improving upon these outreach efforts as we enter the new year.

The pandemic is not over, and MusiCares is here to support the music community until every show is rebooked, every tour is rerouted, and every venue is reopened. Thank you for the support of MusiCares during these tumultuous times—we now return that support back to those in need. We will continue to work tirelessly to support the music community, through the pandemic and beyond. As long as there are unmet needs within our music family, MusiCares will be there.

Warmly,

Laura Segura Executive Director

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OUR VISION

MusiCares helps the humans behind music because music gives so much to the world.

Offering preventive, emergency, and addiction recovery programs, MusiCares is a safety net supporting the health and welfare of the music community. Founded by the Recording Academy in 1989 as a U.S. based, independent 501(c)(3) charity, MusiCares safeguards the well-being of all music people through financial grant programs, networks of support resources, and tailored crisis relief efforts.

OUR VALUES

SERVICE

We lead with compassion using expertise to offer customized assistance. We believe empathy and kindness within the music community heals all involved.

INCLUSIVITY

We provide a sense of belonging in a meaningful community, not just an industry. We unify all people behind music with the people who support them.

EMPOWERMENT

We uplift the voices of those facing their own challenges, creating a safe space to get advice, access resources, and be heard. We want the music community to thrive, not just survive.

INTEGRITY

We are committed to our values and follow through on our promises – clients and donors know they are safe with us. Hi MusiCares Foundation! I wanted to take a moment to express a sincere and heartfelt THANK YOU for the grant I received in the mail today from you. I cannot fully say how much of an impact this is going to make on my household, as we were readying to sell music equipment in order to make our mortgage payment in the coming months. Because of YOU I will be able to make a few more payments before needing to sell that gear and that goes a long way for my emotional and musical well-being. In full disclosure, you have done more via this grant than [my city] has done via my various grant applications. (!!!) On behalf on my household, we thank you kindly for your hard work in getting assistance to artists in need like us. Viva Live Music!"

41-YEAR-OLD VOCALIST

OUR WORK

As music's leading charity, MusiCares acts a safety net for the music community in times of need. We accomplish our work through preventive care, emergency relief, and recovery support. This well-rounded approach addresses the full scope of our clients' needs, helps to eliminate crises before they start, and expedites recovery. From individual grants to unique programming opportunities, we provide critical health and welfare services in three key areas:

HUMAN SERVICES

Emergency financial assistance for:

- Rent/Mortgage
- Utilities
- Car payments
- Funeral expenses

Free, educational programs

addressing topics such as:

• Affordable housing

Legal issues

Senior services

Career development

After unforeseen circumstances

such as natural disasters, fire, or

theft, support is provided for:

Musical equipment

replacementFood, gas, or prescription

medications

Relocation costs

Other basic living expenses

HEALTH SERVICES

Emergency financial support for:

- Medical bills
- $\circ~$ Health insurance premiums
- Dental procedures
- $\circ~$ Other medical expenses

Free, preventative medical services including:

- o Dental screenings
- o Mammograms
- o Hearing clinics
- o Vocal health workshops

Recovery support for those with a medical issue including:

- o Physical therapy
- o Chiropractic care
- o Smoking cessation

MENTAL HEALTH & ADDICTION SERVICES

Support, referrals, and financial assistance for:

- Therapy
- Psychiatric care
- \circ Inpatient addiction treatment

Free educational workshops around topics such as:

- Suicide prevention
- Mental healthcare
- Addiction
- Mindfulness

To support individuals in recovery, MusiCares provides:

- Financial assistance for coaching, outpatient care, and sober living facilities
- Free, weekly addiction & emotional support groups
- Safe Harbor Rooms at music industry events throughout the country

ATIVE EMERGENCY RELIEF

PREVENTATIVE CARE

RECOVERY SUPPORT

MUSICARES DIRECT PHILANTHROPY MODEL

During the pandemic, MusiCares' direct philanthropy model was put to the test. As funds are raised at MusiCares, we apply them according to the needs of the community. Donors giving online can trust that 100% of their donation will be distributed to music people in need.

RAISE FUNDS

DEVELOPMENT

New department focused on raising money through grants, fundraisers, and our major giving program.

MUSIC ON A

Our virtual GRAMMY Week fundraiser that brought in \$2.1 million for our COVID-19 Relief Fund.



New department focused on aligning with organizations to fiscally sponsor us.



DISTRIBUTE FUNDS

COVID-19 RELIEF FUND

The fund provided a

total of \$28,796,868

to 37,466 music

professionals.

HELP FOR THE HOLIDAYS

A new annual initiative that distributed \$1,000,000 of gift cards to 4,000 music professionals in need for household essentials. EMERGENCY FINANCIAL ASSISTANCE PROGRAM

Our emergency financial assistance program distributed \$10,211,716 to 19,296 music professionals.

We are so grateful for the gift card. We have 4 kids, and I am the sole provider for my family, and haven't worked in over a year now. The card worked perfectly. Didn't even need to talk to anyone. Thank you gratefully! Happy holidays to all of you and your families. Much love and respect.

42-YEAR-OLD TOUR MANAGER

OUR WORK: COVID-19'S IMPACT | 7

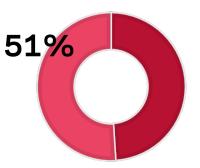
YEAR IN REVIEW

AS THE PANDEMIC RAGES ON, MUSIC PROFESSIONALS CONTINUE TO FACE **FINANCIAL INSECURITY**

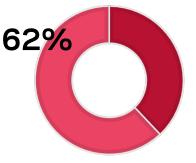
In March 2020, the COVID-19 pandemic changed the music industry forever. With every concert, tour, and festival shut down, thousands of music professionals were left without work – and with no certainty of when work would return.

The impact on the community was clear.

In October 202, MusiCares launched the Wellness in Music Survey, a new annual initiative to gauge the most pressing issues at hand for the music community.



Respondents who had low to very low levels of confidence in affording basic living expenses during the pandemic.



Respondents who experienced moderately high to very high levels of financial stress, on a daily basis.

THE MENTAL HEALTH OF THE MUSIC COMMUNITY IS IN JEOPARDY

The financial insecurity faced by the music community amid the pandemic impacted the community's mental health. 26% of MusiCares Wellness in Music survey respondents reported experiencing moderate to severe levels of depression. In comparison, a 2019 <u>National Health Interview Survey</u> of U.S. adults found only 4.7% reported regular feelings of depression. And, while 34.9% of survey respondents did seek counseling for their mental health challenges, 53.5% of those respondents said they were unable to get counseling because they could not afford it.

Music people - we want you to know that we hear you, and we are here for you.

In response to the increase in mental health challenges, MusiCares:

Increased number of addiction support groups and emotional support groups by **67%**.

Implemented regular mental health centered programming, including a Meditation and Mindfulness series and weekly virtual yoga. Hosted 520 groups in total **serving 1067 clients**, all virtual and free of cost.

Participated in the first-ever Mental Health Action Day, a day where

over 1400 organizations

came together to drive our culture from awareness to action on mental health.

66

I have been a part of the music community in New Orleans for over 25 years. We evacuated for Ida and were overcharged at the first hotel we stayed at by double the amount it should have been. Thanks to MusiCares my rent was covered for a month and I received an awesome gift card to Walmart. Wow! I was so excited to be able to get all the supplies I need including shampoo and hair conditioner, paper towels, and supplies for my beautiful kitty and dog. Such an amazing gift. Thank you so much.

54-YEAR-OLD SINGER/SONGWRITER

THE MENTAL HEALTH OF THE MUSIC COMMUNITY IS IN JEOPARDY

Our Mental Health and Addiction Recovery Team distributed over \$1.2 million in Emergency Financial Assistance grants for mental health and addiction recovery services.

- Each client is assessed by a clinically trained MusiCares team member to determine best means of support.
- MusiCares is one of the sole organizations that can provide 30 days of inpatient care & detox free of charge to our clients.
- Contracted negotiated rates with a variety of vetted treatment providers.
- Contracted negotiated rates with a variety of vetted treatment providers nationwide.

ADDICTION RECOVERY

I don't even know where to begin. A few months ago, I had no doubt that I would die from my addiction and I had no where to turn for help. My friends and family had turned their backs on me, my band didn't want anything to do with me and I wasn't sure what to do to help myself. MusiCares got me into treatment within a matter of hours and saved my life. I will forever be grateful.

35-YEAR-OLD VOCALIST

ADAPTING

ADAPTING TO OUR NEW NORMAL

The COVID-19 pandemic highlighted the importance of adapting alongside a rapidly changing music scene. MusiCares launched a first-of-its kind 'Wellness in Music Survey" in October 2020. Open to any music professional with 5+ years of experience, this annual initiative will help ensure we keep our fingers on the pulse of the industry, enabling us to monitor emerging trends and tailor our services. Taking into account the survey findings, MusiCares expanded our existing programs and developed new initiatives.

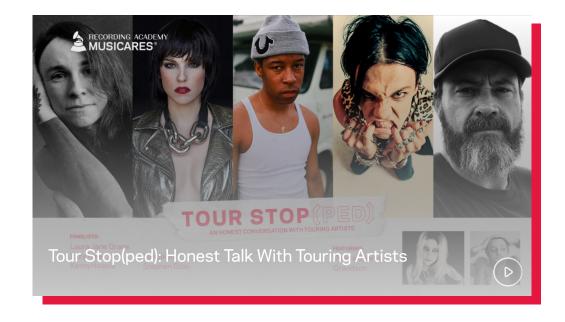
- Workshops went virtual and the community responded. After nearly doubling the number of panels offered, viewership increased by almost 5,000 percent from our last pre-pandemic year. Topics included:
 - ADDICTION AND CREATIVITY IN THE TIME OF COVID: In partnership with the Caron Foundation, MusiCares moderated a panel discussion regarding the difficulties creatives faced over the course of the pandemic, along with adaptive coping strategies.
 - FACTS, FEARS AND HONEST DIALOGUE: COVID-19 VACCINES AND THE BLACK COMMUNITY: In collaboration with The Ad Council, MusiCares organized a one-hour, moderated discussion to raise awareness of the COVID-19 vaccine within the Black community.
 Featuring a panel of music industry professionals alongside subject-matter medical experts, the conversation authentically delivered the facts about the vaccine as well as addressed viewers' specific questions and concerns.
 - FINANCIAL LITERACY SERIES: This three-part series focused on the importance of financial wellness, while also providing information on goal setting, budgeting, and best business practices.
 - ON THE ROAD AGAIN: SELF-CARE FOR PERFORMING ARTISTS: MusiCares and BALANCE eating disorder treatment center hosted a
 workshop focusing on self-care from a nutritional and psychological perspective. Attendees also learned tips for managing stress,
 finding work-life balance, self-esteem, and body image.
 - PANDEMIC PIVOT: REINVENTING YOUR CRAFT: A panel of various music industry professionals discussed the creative ways they survived professionally during the pandemic music shutdown.
 - TOUR STOP(PED): MusiCares and the Recording Academy Florida & Chicago Chapters presented a candid discussion between top rock acts on mental health and adapting to life without the rush or revenue of touring.

MusiCares, thank you! Everything is taken care of with my dental situation, and I wanted to let you all know how very grateful I am! Thanks to all the kind people involved to let this happen! You have truly made me feel appreciated and heard.

26-YEAR-OLD ENGINEER

ADAPTING TO OUR NEW NORMAL





DIGGING DEEPER INTO OUR MISSION

Though the nature of the pandemic necessitated certain adjustments, MusiCares was not only able to still carry out our mission – **WE USED IT AS AN OPPORTUNITY TO DIG DEEPER**.

Our Health and Human Services department continued their work of increasing access to healthcare for those in the music community who cannot afford it. This includes an ongoing focus on broadening our provider networks along with innovating our services to suit the needs of a changing music industry. New providers ranged from physical therapists and acupuncturists in New York and Los Angeles, to dentists and chiropractors in Lafayette and Nashville.

CHIROPRACTIC CARE

I just wanted to write a quick thanks for all of the resources, financial and otherwise, that MusiCares has provided over the past year. I just finished my fifth chiropractic session with Dr. Charlie – he was incredible, and I highly recommend him! I've also been lucky enough to take advantage of the dental and vision services. I know that for myself and other musicians the grants and other opportunities have been literally life changing in an otherwise bleak year, and I hope that message gets back to those of you who make all this possible. Thank you again for all that you do!

33-YEAR-OLD BASSIST

DIGGING DEEP

DIGGING DEEPER INTO OUR MISSION

However, COVID-19 introduced a unique set of challenges. MusiCares is fundamentally a boots-on-the-ground organization, as we pride ourselves on bringing aid directly to those in need. This is exemplified by our Healthy Essentials programs, which encompass various medical, dental, and hearing clinics typically hosted at festivals, labels, PRO's, Union offices, etc. Due to local guidelines and social distancing requirements, it was impossible to move forward with business as usual. MusiCares adapted, introducing new telehealth opportunities rather than allowing preventative healthcare options to disappear. Programs included:

- VIRTUAL PHYSICAL THERAPY: Participants received 50-minute one-on-one sessions with a physical therapist. Specific exercises and treatments were personalized to the needs of the individual.
- VIRTUAL REIKI CLINIC: This alternative medicine workshop and clinic offered Reiki services to MusiCares clients and eligible music industry professionals.
- VIRTUAL VOCAL COACHING: Participants received 30-minute vocal health and wellness screenings.
- VIRTUAL WEEKLY YOGA: Free 30-minute yoga practice each Wednesday available to music professionals who have at least 5 years of paid experience in the industry.
- WOMEN'S WELLNESS VIRTUAL CLINIC: Clients received a phone/zoom consultation with our medical provider. They were also connected with a nearby local physical clinic for bloodwork, along with any other necessary testing.

RESTRUCTURE

Alongside these efforts and simultaneously with the expansion of our organization as a whole, we restructured our Health and Human Services department into three specialty teams that reflect our pillars of support: Health Services, Human Services, and Mental Health & Addiction Services.

MUSICARES X MASTERCLASS

In addition to managing ongoing pandemic relief efforts, our HHS team consistently delivered specialized programming relevant to the current state of the music community. Through a partnership with MasterClass, MusiCares provided one year All Access passes to over 8,000 music professionals who would not otherwise have been able to afford such an opportunity. The benefits were twofold, as recipients were able to nurture other areas of interest as well as hone transferrable skills for career shifts due to the lingering effects of COVID.

66

Wow, this is some good news in the midst of a WILD time. My house was also hit by the tornado & we are currently moving in to our AirBNB... thanks for the GOOOOD NEWS! God bless you.

57-YEAR-OLD SONGWRITER

EXPANDING OUR REACH

Diversity, Equity, and Inclusion & MusiCares' Mission

MusiCares is here to serve all members of the music community. We recognize that certain cultural and socioeconomic barriers make it harder for underserved populations to seek help. Black, Latinx, Asian, Women and music professionals under the age of thirty are all considered underserved populations, and in fiscal year 20-21, MusiCares increased our specialized resources. Outreach and aid serving the BIPOC community has doubled, and MusiCares' engagement with Latinx, LGBTQ+ and female professionals is not far behind. In May 2021, MusiCares introduced new virtual support groups that are free of cost:

- Women's Support Group
- Black Music Community Group
- LGBTQ+ Music Community Group

In tandem with these and other private resources, MusiCares has increased our public-facing programs which address issues and amplify stories of these communities. Here is just some of the programming that furthered our DE&I efforts:

BREAKING BARRIERS: Celebrating and Supporting Latinx Women in the Music Industry

"TRUTH SERUM" MENTAL WELLNESS AND THE MUSIC

COMMUNITY: A screening and panel discussion on the importance of mental wellness and associated challenges in the Black music community.

CELEBRATING PRIDE MONTH: Health & Wellness in the LGBTQ Community: MusiCares, Daisy Gumin (Partnerships Manager at Monument) and guest panelists hosted a conversation about advocacy and pride while promoting health and wellness.

LET'S GET INCOMODOS: In recognition of Hispanic Heritage Month, MusiCares hosted special guests Milcho and Daniel Rene for a candid conversation about mental health and the Latinx community.

SAGE Workshop: Aging Adults & The LGBTQIA+

Community: MusiCares' and SAGE, the oldest and largest organization dedicated to serving LGBTQIA+ older adults, hosted a forum to learn about differences between LGBTQIA+ people and their straight peers when it comes to aging and caregiving.

Visas and Immigration for Musicians & Music Makers: MusiCares, in partnership with the Jacobson Firm, hosted a panel discussion to learn about visa and immigration law related to the music industry.

EXPANDING OUR REACH





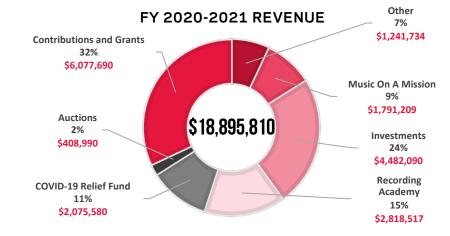


THE NUMBERS

Financial assistance: amount of money provided to our clients through the Emergency Financial Assistance Program

Other program services:

amount spent on our programs including medical clinics, support groups, educational workshops, panels, and more

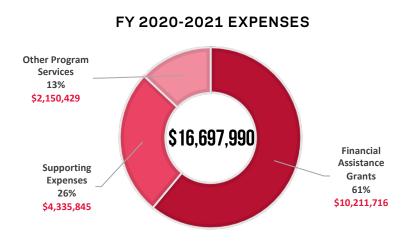


COVID-19 Relief Fund:

amount raised exclusively for clients impacted by COVID-19

Recording Academy: amount donated by the Recording Academy

Supporting expenses: direct costs and overhead related to administration, investments, fundraising, marketing & partnerships, and events



Music on a Mission: money raised from our virtual GRAMMY Week fundraiser 66

Seriously can't thank you enough for this. I feel a weight lifted knowing that I can buy food for the next couple of months. I appreciate it more than you can imagine.

33-YEAR-OLD GUITARIST, Help for the Holidays Recipient

SUPPORTERS

OUR SUPPORTERS

COALITION

MusiCares' leading philanthropists and corporate benefactors who champion our mission.

LEADERSHIP LEVEL

Country Music Association Recording Academy Rita Wilson & Tom Hanks

VISIONARY LEVEL Sony Music Entertainment Universal Music Group Warner Music Group David Civiero

ILLUMINATOR LEVEL

Amazon Music ASCAP Facebook Dr. David Cooper

CHAMPION LEVEL

City National Bank Concord Hipgnosis Songs Fund Proskauer Rose, LLP SoundCloud Starbucks

MUSIC ON A MISSION SPONSORS

MusiCares' corporate partners celebrating the power of music to do good during GRAMMY Week 2021

Amazon Music Recording Academy Universal Music Group Vivid Seats Warner Music Group Meta Greenberg Traurig, LLP Sony Music Entertainment and Sony Music Publishing ASCAP Concord Gibson Gives Live Nation Master & Dynamic PEOPLE SoundCloud

OUR LEADERSHIP

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| | |

GOVERNING COMMITTEES

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Health & Human Services Dr. Steven Shoptaw

OUR TEAM

Angela Bilkic Coordinator, Health Services

Lindsey Burris Managing Director, Development

Debbie Carroll Vice President, Health & Human Services

Stefanie Curtiss Managing Director, Health Services

Ryan Donahue Managing Director, Operations & Finance **David Enos** Junior Accountant, Operations & Finance

Virginia Faddy Director, Special Projects

Kate Ferber Coordinator, Development

Mikaela Freeman Executive Assistant, Health & Human Services

Sol Iriarte Coordinator, Marketing & Partnerships Shireen Janti Senior Director, Mental Health & Addiction Services

Monica Kim Event Manager, Development

Erica Krusen Managing Director, Mental Health & Addiction Services

Hannah Kulis Executive Assistant, MusiCares

Jennifer Leff Managing Director, Human Services

OUR TEAM

Yvonne McNair Consulting Producer

Malissa Pansa-ad Client Manager, Human Services

Debra Presley

Administrative Assistant, Mental Health & Addiction Services

Anita Ramsarup Coordinator, Human Services

Carie Salas

Client Manager, Mental Health & Addiction Services

Laura Segura Executive Director, MusiCares

Roger Tang Senior Coordinator, Operations & Finance

Emanuel Tekle Accounting Coordinator,

Operations & Finance

Jigar Thakarar Managing Director, Marketing & Partnerships

Wynnie Wynn Senior Director, Development



ABOUT MUSICARES

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