2020 Impact and Accountability Report



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1

Introduction

Welcome to our 2020 *Impact and Accountability Report*. In this second report, you will discover the growth of our project. Thanks to this growth, we have been able to incorporate more professionals into our team, increasing the effectiveness of our initiatives for animal welfare and the sustainability of the food system.

The year 2020 has been a turning point for the international community. The SARS-CoV-2 pandemic has been (and continues to be) a harsh test for humanity. Now, humanity can understand, better than ever before, the need to find sustainable solutions to the important global challenges we face.

The food system is not alien to these challenges: it is necessary to produce food with a significantly lower ecological footprint. Intensive animal farming makes the supply of affordable animal proteins possible, but the model entails significant sustainability problems. And this is where animal welfare plays a decisive role.

The Covid-19 pandemic has reminded us of the strong links between animal health and human health, and the need to consider the welfare of farmed animals.





In this sense, in May 2020, the European Union took an important step forward by closely linking animal welfare to the "Farm to Fork" strategy, a major axis within the European Green Deal. Thus, the Union explicitly recognizes that improved animal welfare improves animal health, food safety and food quality, reducing the need for antibiotics for farmed animals and preserving biodiversity.

The "Farm to Fork" strategy has proposed an ambitious agenda, including a review of existing EU animal welfare legislation. The aim is to align European regulations with the latest scientific evidence. It also aims to reflect the growing public awareness of the sustainability and welfare of farmed animals.

Recently, the European Commission has reaffirmed its will to improve European animal welfare legislation, stating that "Animal welfare measures can also have considerable collateral benefits and synergies with climate and environmental objectives, especially to reduce air and water pollution". The Commission thus aims to "empower EU consumers to make decisions respecting animal welfare".

^{1.} European Commission. Evaluation of the European Union Strategy for the Protection and Welfare of Animals 2012-2015. Brussels, 31.3.2021. <u>Online</u>.

^{2.} Ibid.

In this context, it is clear that the work we carry out at Equalia is strongly linked to the sustainability of the food system. Higher animal welfare standards are needed to achieve the objectives of the "Farm to Fork" strategy and hence of the European Green Deal.

In this respect, it should be noted that Article 13 of the Treaty on the Functioning of the European Union recognizes animals as sentient beings and requires that animal welfare requirements be fully taken into account when formulating and implementing certain EU policies³.

Our job is to help companies and institutions meet (and surpass) goals that benefit people, animals and the planet. We hope that this work will continue to deserve the support of our supporters, donors and members.

Regards,



Guillermo MorenoExecutive Director and Co-Founder

^{3.} Article 13 of the Treaty on the Functioning of the EU states that "In formulating and implementing the Union's agriculture, fisheries, transport, internal market, research and technological development and space policies, the Union and the Member States shall, since animals are sentient beings, pay full regard to the welfare requirements of animals...".

Mission and Vision

Equalia is a non-profit organization dedicated to improving the living conditions of the animals intended for human consumption with the lowest standards of animal welfare.

Our mission is to reach agreements with companies, institutions and stakeholders that positively affect as many animals intended for human consumption as possible.

Our vision is a world in which intensive livestock farming gives way to food production models that respect animal welfare.



Lines of action

3.1 Awareness raising

We publish cutting-edge investigative reports, showing food companies, regulatory bodies and society as a whole the irregular or especially cruel practices in intensive animal farming.

3.2 Corporate outreach

We ensure that food companies comply with current animal welfare regulations, and we negotiate with their departments of corporate social responsibility to implement better standards that reflect animal science findings and go hand in hand with the European sustainability agendas.





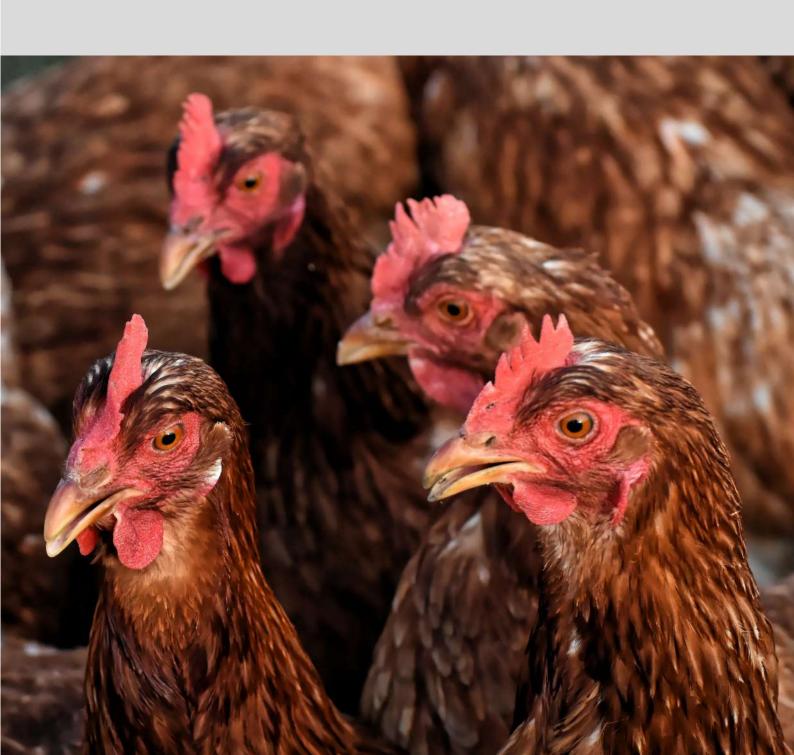
3.3 Institutional outreach

We work with institutions and political groups, helping to develop regulations that integrate animal welfare advances into sustainability agendas.

3.4 Movement Construction/ Capacity Building

We invest part of our resources in sharing knowledge with other international organizations in the field of effective animal advocacy.

2020 Progress and 2021 challenges



Mandatory CCTV cameras in all Slaughterhouses Initiative

2020 Progress

- The Ministry of Consumer Affairs made the draft of the Royal Decree available for public consultation.
- 2 investigative reports in slaughterhouses presented to the media.
- 6 Non-binding motions approved by the regional governments of Navarre, La Rioja, Madrid, the Balearic Islands, the Canary Islands and Valencia.
- A potential audience of 33.5 million on our investigative reports.
- A potential audience of 70 million on our initiative in the media.
- It is estimated that 600 million animals have already been slaughtered in slaughterhouses with video surveillance cameras as a result of the initiative.

2021 Challenges

Approval of the Royal Decree establishing measures for the control of animal welfare in slaughterhouses, through the installation of video surveillance systems.

European Chicken Commitment Initiative

2020 Progress

- Equalia brought to Spain the European Chicken Commitment initiative, which works with food companies to raise animal welfare standards in the production of broiler chickens.
- 1 investigative report on an intensive broiler farm presented to the media.
- A potential audience of 15 million on the report in the media.
- 17 million chickens are subject to better welfare standards thanks to the commitment of Aldi España supermarkets supporting the initiative. Work done in coordination with the *Open Wing Alliance* coalition.

2021 Challenges

50 million broiler chickens will live with better animal welfare standards thanks to the commitment of food companies.

Cage-Free Eggs Initiative

2020 Progress

- 2 investigative reports on intensive laying hens farms with cage systems presented to the media.
- 9 commitments signed with food companies to abandon cages in egg production.
- 2.2 million hens will no longer live in cages thanks to the commitments signed between Equalia and food companies.
- \bigcirc A potential audience of 21 million on the investigations in the media.

2021 Challenges

Publication of 3 population-based surveys on consumption trends.

6 inclusions of the "cage-free" requirement in the tender specifications for regional public canteens*.

6 million hens living free of cages thanks to the commitment of food companies.

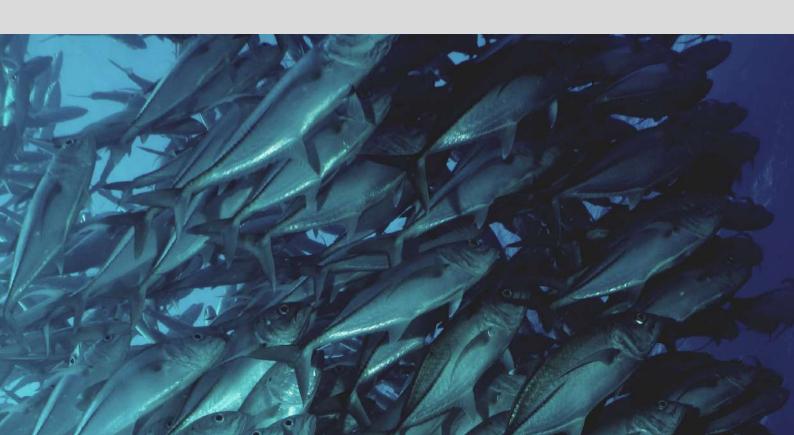
^{*} Through the non-binding motions (*Proposición No de Ley*, PNL) submitted, or by the direct impact on the Regional Ministers of Education, we requested the modification of the technical requirements of tender specifications for public canteens, to include the requirement of the supply of eggs 100% coming from cage-free hens.

Aquaculture Animal Welfare Initiative

2021 Challenges

To collaborate with production, distribution and certification companies to implement advanced animal welfare standards in Spanish aquaculture, following the latest scientific discoveries.

To promote the alignment of the Spanish Multiannual Aquaculture Plans with the EU Strategic Aquaculture Guidelines.





5

Finances and accounting

Sound financial and accounting management is essential for the fulfilment of the objectives of our initiatives and the transparency of our management. Our initiatives depend on an effective and proportionate allocation of financial resources. Likewise, we strive to maintain complete transparency of accounts both for the people who support us with donations and contributions and for the philanthropic entities in the environment of effective altruism, as well as before the companies, institutions and stakeholders with whom we work. We are always available for any comments, advice or criticisms you may have.

The organization's accounts are reviewed and approved by the general meeting each year, within the four months following the closure of the fiscal year. This general meeting is made up of Equalia's members.

The accounts for the year 2020 were reviewed and approved on March 26, 2021. All the members of Equalia received the meeting call via email 15 days in advance, and the message was forwarded again to all those members who had not opened the email.

We encourage all members of Equalia to participate in the following annual meetings, and to share with us any questions they may have at the following email address: david.herrero@equaliaong.org. They can also request the minutes of our last meeting.

5.1 Accounting

Kinema Cooperative provides us with its services. It is a worker cooperative that brings together professionals from different areas, and it provides us with full coverage of legal, formal, tax, accounting and labor obligations.

In section 8, we attach 4 annexes with the financial reports of the year 2020 made by said cooperative (in Spanish).

5.2 Balance Sheet

Change to dollars as of December 30, 2020.

| Current assets Non-current assets Current liabilities | \$309,055.00 \$3,030.01 \$9,245.75 |
|---|--|
| Equity Net equity and liabilities | \$302,839.00 \$312,085.00 |

5.3 Income and expenses

For Equalia, 2020 has been a year of economic and operational growth. In a year of profound economic instability due to the pandemic, we want to express our deep gratitude to each and every member and donor for their financial support; as well as to the philanthropic entities that finance our initiatives and all our administrative expenses.

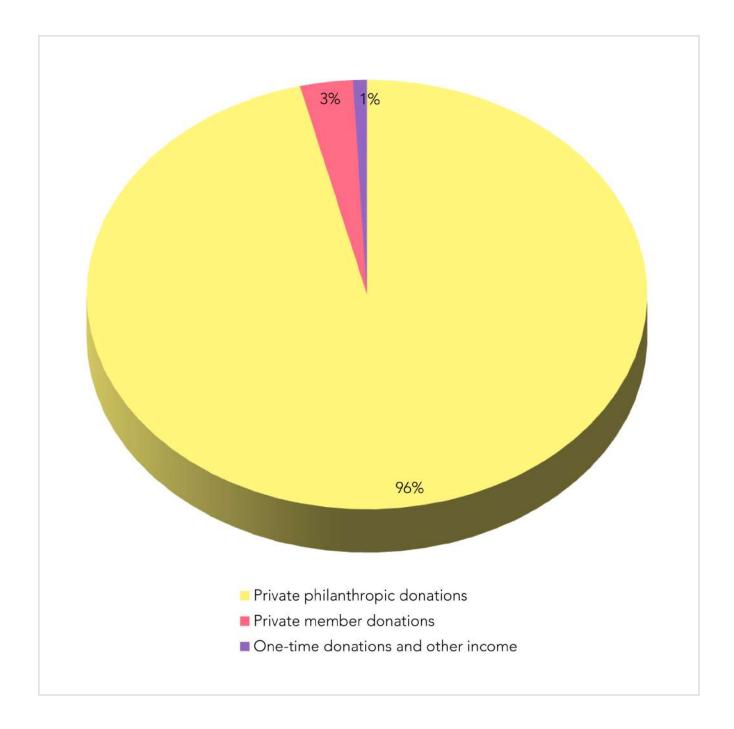
We would like to highlight the importance of this second type of expenditure. These include the costs of online infrastructure and maintenance, agency and other necessary external services. We would not be able to work on the continuous improvement of animal welfare and the sustainability of the food system without the funds to meet these needs.

During 2020, we have managed to increase the percentage of income from members, which is an important step forward. However, we still need to significantly diversify our financing sources. That is why we will continue to intensify our efforts to gain the confidence of more people. Without the financial support of our members, Equalia would not be viable in the medium and long term.

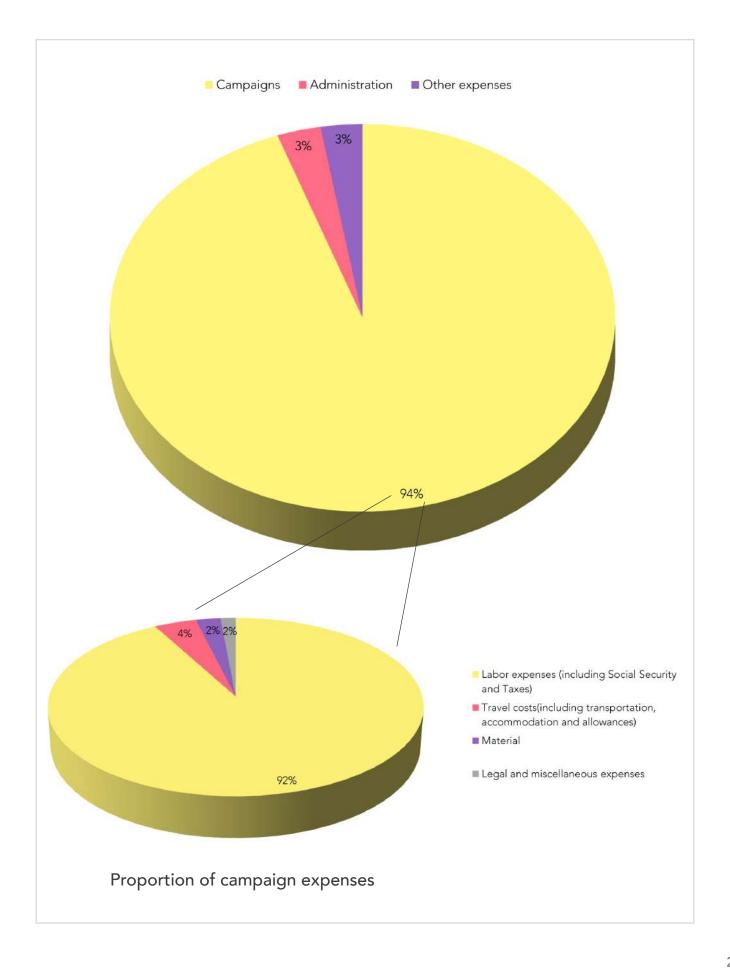
We will continue to work professionally and effectively to increase the welfare of farmed animals, and to ensure that it is an integral part of Spanish and international sustainability agendas.



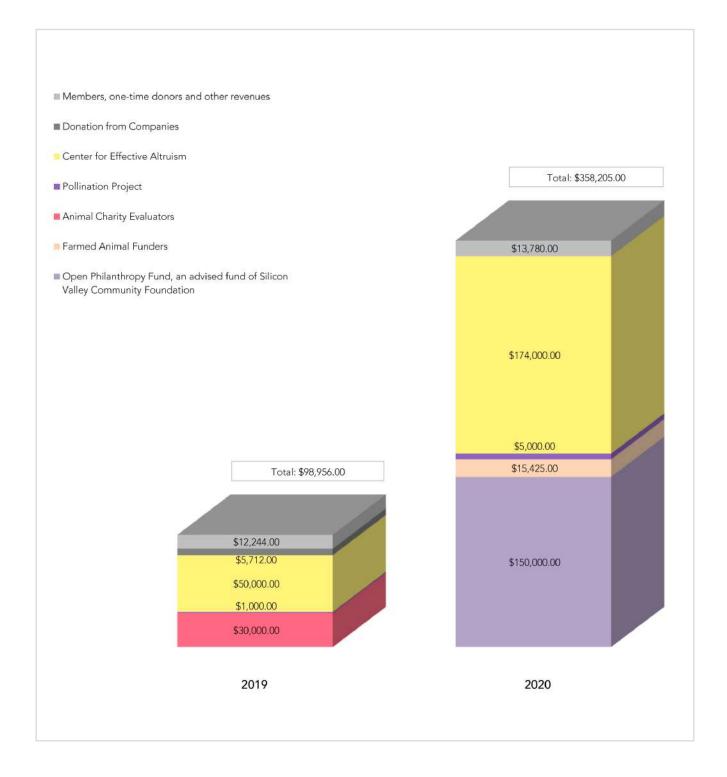
Revenue ratio



Expense ratio

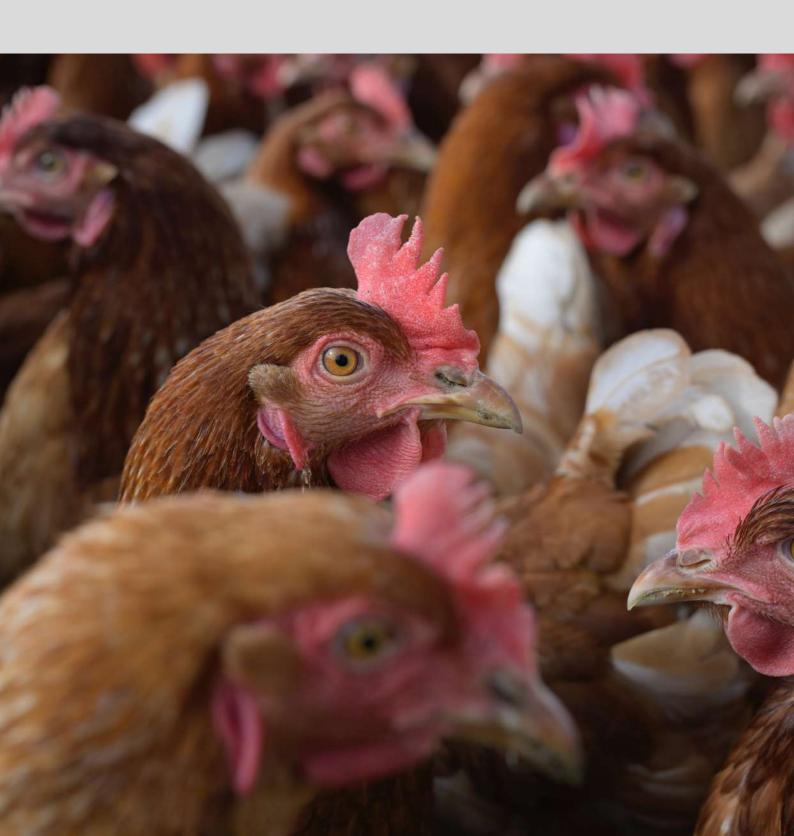


5.4 Annual growth





Structure



6.1 Introduction to our team



Guillermo MorenoExecutive Director
and Co-Founder



David HerreroHead of Administration and Co-Founder



Amada Perales
Corporate & Institutional
Relations Specialist
and Head of Legal



María VillaluengaPress Officer and
Spokesperson



José Ramón Mallén Communication and Fundraising Manager



Claudia Millán Fish Welfare Specialist



Blanca Ponce
Corporate & Institutional
Relations Specialist
(cage-free eggs).



Julia ElizaldeCorporate Campaigns
Coordinator (cage-free eggs)

6.2 Governance

Equalia is managed and represented by a Board of Directors comprised of a Chairperson, a Secretary, and a Vice-Chairperson. These positions are and will be unpaid, and they are appointed, extended and/or revoked by the General Meeting every 2 years. The General Meeting is made up of all the members.

Moreover, once a year a regular meeting is held at which all the members of the General Meeting are convened to review and, where appropriate, approve the annual accounts.



General information

Equalia 2018 (Equalia), holder of Tax ID No. (CIF) G88148028, with registered office at calle Palomares n°17 1°D, Madrid, is a non-profit association legally registered in the National Register of Associations: section 1 / National Number: 615639.

Foundation: May 2018

Contact details: info@equaliaong.org

Phone No.: +34 692671630



8 Annexes

Annex 1

Annual accounts (balance sheet) simple model

| EQUALIA 2018 Listado de cuentas anuale | es (Balance de Situaci | ón) | | | Pág. 1 |
|--|---|---------------------------------|---------------------------------|--|--|
| Ejercicio: 2020, Periodo: A | Apertura-Diciembre (E | uros) | | | |
| Activo | | | | | Pasivo |
| A) ACTIVO NO CORRIENTE. | | 2.474,51 | A) PATRIMONIO | NETO | 247.318,43 |
| | 'ILIZADO MATERIAL M. DEL INMOVILIZAD | 2.474,51 3.026,06 551,55- | A-1) Fondos | propios | 247.318,43 |
| | | 331,33 | III. Exced 120 | entes de ejercicios anteriores. REMANENTE | 66.210,47 66.210,47 |
| B) ACTIVO CORRIENTE. | | 252.394,62 | | lentes del ejercicio. SERVICIOS DE PROFESIONALE PRIMAS DE SEGUROS SERVICIOS BANCARIOS Y SIMI PUBLICIDAD, PROPAGANDA Y OTROS SERVICIOS OTROS TRIBUTOS AJUSTES NEG. EN LA IMPOSICI SUELDOS Y SALARIOS INDEMNIZACIONES SEGURIDAD SOCIAL A CARGO OTROS GASTOS FINANCIERO AMORTIZACIÓN DEL INMOVILI CUOTAS DE ASOCIADOS Y AFI SUBVENCIONES, DONACIONE OTROS INGRESOS FINANCIER | 181.107,96 4.642,00- 397,34- 472,51- 68,32- 10.330,56- 11,82- 1.266,71- 87.054,83- 1.783,73- 28.465,32- 0,01- 9.603,00 306.300,39 0,33 |
| VIII.Efectivo y otros activos 572 BANCOS E IN | s liquidos equivalen ISTIT. DE CRÉDITO C/C | 252.394,62 252.394,62 | B) PASIVO NO C | CORRIENTE | 0,00 |
| TOTAL ACTIV | O (A+B) | 254.869,13 | C) PASIVO COR | RIENTE | 7.550,70 |
| | | | 2. Otros a 410 475 476 | es comerciales y otras cuentas acreedores ACREEDORES POR PRESTACI HAC. PUB. ACREEEDORA POR ORGANISMOS DE LA SEG.SOC OTAL PATRIMONIO NETO Y PASI | 7.550,70 7.550,70 212,00 3.859,44 3.479,26 254.869,13 |

Annex 2

Annual accounts (balance sheet) comparative model 2019-2020

EQUALIA 2018

Listado de cuentas anuales (Balance de Situación)

Pág. 1

Ejercicio: 2020, Periodo: Apertura-Diciembre (Euros)

| Activo: | Ejercicio 2020 | Ejercicio 2019 |
|---|--|-------------------------------------|
| A) ACTIVO NO CORRIENTE. | 2.474,51 | 2.777,12 |
| III. Inmovilizado material 219 OTRO INMOVILIZADO MATERIAL 281 AMORT. ACUM. DEL INMOVILIZADO MATERIAL | 2.474,51 3.026,06 551,55- | 2.777,12 3.026,06 248,94- |
| B) ACTIVO CORRIENTE. | 252.394,62 | 64.695,05 |
| VIII.Efectivo y otros activos liquidos equivalentes 572 BANCOS E INSTIT. DE CRÉDITO C/C VISTA, € TOTAL ACTIVO (A+B) | 252.394,62 252.394,62 254.869,13 | 64.695,05 64.695,05 67.472,17 |
| Total activo: | 254.869,13 | 67.472,17 |

Annex 3

Annual accounts (profit and loss) simple model

EQUALIA 2018

Listado de cuentas anuales (Pérdidas y Ganancias)

Pág. 1

Ejercicio: 2020, Periodo: Apertura-Diciembre (Euros)

| | (Debe) Haber |
|--|---------------|
| A) Excedente del ejercicio | 181.107,96 |
| 1. Ingresos de la actividad propia | 315.903,39 |
| a) Cuotas de asociados y afiliados | 9.603,00 |
| 720 CUOTAS DE ASOCIADOS Y AFILIADOS | 9.603,00 |
| d) Subvenciones, donaciones y legados imputados al excedente del ejercicio | 306.300,39 |
| 740 SUBVENCIONES, DONACIONES Y LEG. A LA EXP | 306.300,39 |
| 8. Gastos de personal | 117.303,88- |
| 640 SUELDOS Y SALARIOS | 87.054,83- |
| 641 INDEMNIZACIONES | 1.783,73- |
| 642 SEGURIDAD SOCIAL A CARGO DE LA EMPRESA | 28.465,32- |
| 9. Otros gastos de la actividad | 17.189,26- |
| 623 SERVICIOS DE PROFESIONALES INDEPENDIENT. | 4.642,00- |
| 625 PRIMAS DE SEGUROS | 397,34- |
| 626 SERVICIOS BANCARIOS Y SIMILARES | 472,51- |
| 627 PUBLICIDAD, PROPAGANDA Y RELACIONES PUBL | 68,32- |
| 629 OTROS SERVICIOS | 10.330,56- |
| OTROS TRIBUTOS | 11,82- |
| 634 AJUSTES NEG. EN LA IMPOSICIÓN INDIRECTA | 1.266,71- |
| 10. Amortización del inmovilizado | 302,61- |
| 681 AMORTIZACIÓN DEL INMOVILIZADO MATERIAL | 302,61- |
| A.1) EXCEDENTE DE LA ACTIVIDAD (A1+A2+A3+A4+A5+A6+A7+A8+A9+A10+A11+A12+A13) | 181.107,64 |
| 14. Ingresos financieros | 0,33 |
| 769 OTROS INGRESOS FINANCIEROS | 0,33 |
| 15.Gastos financieros | 0,01- |
| 669 OTROS GASTOS FINANCIEROS | 0,01- |
| A.2) EXCEDENTE DE LAS OPERACIONES FINANCIERAS (A14+A15+A16+A17+A18) | 0,32 |
| A.3) EXCEDENTE ANTES DE IMPUESTOS (A.1 +A.2) | 181.107,96 |
| A.4) Variaicón de patrimonio neto reconocida en el excedente del ejercicio (A.3+A20) | 181.107,96 |
| I) RESULTADO TOTAL, VARIACIÓN DE PATRIMONIO NETO EN EL EJERCICIO(A.4+D+E+F+G+I | H) 181.107,96 |

Annex 4

Annual accounts (profit and loss) comparative model 2019-2020

EQUALIA 2018

Listado de cuentas anuales (Pérdidas y Ganancias)

Pág. 1

Ejercicio: 2020, Periodo: Apertura-Diciembre (Euros)

| (Debe) Haber | Ejercicio 2020 | Ejercicio 2019 |
|--|----------------|----------------|
| A) Excedente del ejercicio | 181.107,96 | 65.072,67 |
| 1. Ingresos de la actividad propia | 315.903,39 | 88.612,51 |
| a) Cuotas de asociados y afiliados | 9.603.00 | 9.135,67 |
| 720 CUOTAS DE ASOCIADOS Y AFILIADOS | 9.603,00 | 9.135,67 |
| d) Subvenciones, donaciones y legados imputados al excedente del ejercicio | 306.300,39 | 79.476,84 |
| 740 SUBVENCIONES, DONACIONES Y LEG. A LA EXP | 306.300,39 | 79.476,84 |
| 3. Gastos por ayudas y otros | 0,00 | 150,95- |
| c) Gastos por colaboraciones y del órgano de gobierno | 0,00 | 150,95- |
| 654 REEMBOLSOS DE GASTOS AL ÓRGANO DEL GOBIERNO | 0,00 | 150,95- |
| 8. Gastos de personal | 117.303,88- | 14.482,42- |
| 640 SUELDOS Y SALARIOS | 87.054,83- | 10.909,52- |
| 641 INDEMNIZACIONES | 1.783,73- | 0,00 |
| 642 SEGURIDAD SOCIAL A CARGO DE LA EMPRESA | 28.465,32- | 3.572,90- |
| 9. Otros gastos de la actividad | 17.189,26- | 8.657,53- |
| 623 SERVICIOS DE PROFESIONALES INDEPENDIENT. | 4.642,00- | 2.241,44- |
| 625 PRIMAS DE SEGUROS | 397,34- | 16,00- |
| 626 SERVICIOS BANCARIOS Y SIMILARES | 472,51- | 391,84- |
| 627 PUBLICIDAD, PROPAGANDA Y RELACIONES PUBL | 68,32- | 45,76- |
| 629 OTROS SERVICIOS | 10.330,56- | 4.804,69- |
| 631 OTROS TRIBUTOS | 11,82- | 0,00 |
| 634 AJUSTES NEG. EN LA IMPOSICIÓN INDIRECTA | 1.266,71- | 1.157,80- |
| 10. Amortización del inmovilizado | 302,61- | 248,94- |
| 681 AMORTIZACIÓN DEL INMOVILIZADO MATERIAL | 302,61- | 248,94- |
| A.1) EXCEDENTE DE LA ACTIVIDAD (A1+A2+A3+A4+A5+A6+A7+A8+A9+A10+A11+ | 181.107,64 | 65.072,67 |
| 14. Ingresos financieros | 0,33 | 0,00 |
| 769 OTROS INGRESOS FINANCIEROS | 0,33 | 0,00 |
| 15.Gastos financieros | 0,01- | 0,00 |
| 669 OTROS GASTOS FINANCIEROS | 0,01- | 0,00 |
| A.2) EXCEDENTE DE LAS OPERACIONES FINANCIERAS (A14+A15+A16+A17+A18) | 0,32 | 0,00 |
| A.3) EXCEDENTE ANTES DE IMPUESTOS (A.1 +A.2) | 181.107,96 | 65.072,67 |
| A.4) Variaicón de patrimonio neto reconocida en el excedente del ejercicio (A.3+A20) | 181.107,96 | 65.072,67 |
| I) RESULTADO TOTAL, VARIACIÓN DE PATRIMONIO NETO EN EL EJERCICIO(A.4+D | 181.107,96 | 65.072,67 |





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