



# Abbreviated Consolidated Financial Statements

---

**2020**

# Management report

---

## Management review

ESOMAR was founded in 1948 as the European Society for Opinion and Marketing Research (ESOMAR or “the Society”). The registered office of the Society is in Amsterdam, the Netherlands (chamber of commerce number 54165458). Operations are managed from the office, which is located at Atlas Arena, Hoogoorddreef 5, 1101 BA Amsterdam, The Netherlands. The Society has a 100% subsidiary: ESOMAR B.V., which is registered in the Netherlands (chamber of commerce number 33299075).

Besides the Management Team the ESOMAR office has employees active in the following teams Membership and Support Services (Membership, Directory, Web, R&D, Finance and Human Resources Relations), Events, Marketing & Communications, Business & Professional Development (Development & Education, Sales) and Community Management (Government Affairs and Professional Standards, Global Market Research Analysis).

Within ESOMAR all employees are bound by the standards of performance and behaviour at work, which are written down in the Personnel Manual that also contains paragraphs with regard to valuing diversity and dignity at work. The Personnel Manual is being updated annually.

2020 is a year that many will want to forget; the declaration of COVID-19 being a pandemic thrust markets and sectors into significant turmoil, many of whom will not see a recovery to pre-pandemic performance until 2023 or later (eg air travel, hospitality etc). The global economy plummeted, as in chronological terms, we saw China, Italy, the UK, the US, Brazil and now India, suffer exceptionally from the impact of the Corona virus.

Looking at the worldwide macro-economic picture, global growth in 2020 declined by -5%. The onset of the

coronavirus' geographical spread in late February and early March, resulted in markets beginning to feel the outbreak's initial implications on global trade. China's manufacturing output and consumer activity dampened dramatically before countries around the world began implementing lockdowns to contain the spread of the virus, which ultimately constricted global activity.

The economic shutdowns led to the sharpest plunge in (all forms of) demand on record as the coronavirus containment measures constricted mobility. Most of the major “hubs” of life, retreated into the home : School and work was done on-line; shopping was done on-line; eating out was replaced by take-away in home; cinemas, theatres and concerts were replaced by streaming services on-line, and travel and hospitality collapsed almost entirely. A whole new pattern of consumption appeared, supported by an unprecedented explosion in e-commerce, delivery, streaming and other online services.

Throughout the entirety of 2020, the global economic downturn depleted international trade as a result of the disruption to activity and supply chains and changes in the structure of demand. The global economy plumbed depths not seen for more than 100 years, and while some countries have recovered and are slowly reopening (most notably China), many others are facing into a third wave of pandemic destruction and disruption, implying that the global economy's long ascent back to pre-pandemic levels of activity are still prone to setbacks.

As a result, global prospects remain highly uncertain one year into the pandemic. New virus mutations and the accumulating human toll raise concerns – even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. According to the IMF, the global outlook depends

not just on the outcome of the battle between the virus and vaccines – it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis.

In their March 2021 report, the IMF projects growth at 6 percent in 2021 (only barely recovering from the 2020 decline), moderating to 4 percent in 2022. The projections for 2021 and 2022 are a little stronger than in the October report, as this reflects additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of 2021, and continued adaptation of economic activity to subdued mobility. However, high uncertainty surrounds this outlook, related to the path of the pandemic, the effectiveness of policy support to provide a bridge to vaccine-powered normalization, and the evolution of financial conditions.

The research, data, insights and analytics sector recorded an equally turbulent year; while some markets recorded declines of 15%+, others showed more positive trends where their in-market transformation and adaptation to the predominantly digital focus was quick and effective. More positively, the change in living and consumption patterns

represents a huge opportunity for our sector, as it provides the insights for companies and governments to make better decisions for citizens, consumers and customers in this "new normal". Lastly, investment into our sector also remains strong, perhaps reflecting optimism for the need for greater, more up-to-date information on attitudes, behaviours and usage and consumption patterns, of all kinds.

Against this background – ESOMAR had quite a challenging year; the series of national lockdowns around the world, meant that all face-to-face conferences had to be cancelled, resulting in a projected revenue loss of almost 50%. Equally, this underscored that if membership revenue were in any way affected, the loss to the Society might be anywhere between (€700K-€1,000K).

Following the preparation and review of a selection of financial projections, Council and management ultimately agreed to work to a budget which targeted a (€350K) operating result. A large vote of thanks is due to the entire ESOMAR team, who ensured not only that a better operating result was achieved, but also that the overall result was considerably better than projected:

In thousands of euro	2018	2019	2020
<b>Revenue</b>	<b>5,412</b>	<b>5,330</b>	<b>3,711</b>
<b>Operational expenditure</b>	<b>(3913)</b>	<b>(3,639)</b>	<b>(2,190)</b>
<b>Total General expenditure</b>	<b>(1,464)</b>	<b>(1,785)</b>	<b>(1,839)</b>
<b>Subtotal</b>	<b>35</b>	<b>(94)</b>	<b>(318)</b>
Financial results (incl. Assets portfolio, etc.)	(78)	247	59
<b>Operating results before special expenses</b>	<b>(43)</b>	<b>153</b>	<b>(259)</b>
Council approved expenses	(220)	(134)	(122)
Impairment of tangible fixed assets	-	-	-
Donation to ESOMAR Foundation	(50)	-	-
<b>Net results (before tax)</b>	<b>(313)</b>	<b>19</b>	<b>(381)</b>

The need to pivot quickly to an almost completely digital offering, dominated our efforts in 2020. This did not mean that strategic initiatives were abandoned, it simply meant that the priority was placed on member retention, and the reinforcement of membership value. Contacting our members by phone, the establishment of COVID resource pages, offering guidance on adapting ways of working, ensuring our members had free access to our online platforms, discussions and conferences, and offering members payment plans and/or moratoria if they were suffering financially, took first priority in all our activities. This was aptly supported by the Presidents' "Building Bridges" campaign, underlining our desire to reinforce and support all of our existing relationships and build new ones where appropriate.

The transition to an omni-channel, "digital first" approach, did highlight that a portion of our support resources

(online membership application / registration / publication store, MyESOMAR etc) did need to be reviewed, so that they could be "fit-for-purpose" in a digitally-dominant membership offering.

On top of that, an extended series of new digital content offerings were initiated, such as ESOMAR TV and Brands-Connect, allowing members and non-members alike to "see" ESOMAR in different ways. This is both a trend and a strategic position that will be continued into 2021 and beyond.

Looking more specifically at our Asset portfolio, 2020 underscored the unpredictable nature of the investment market and the level of fluctuation that may be seen from one year to another; the start of the year saw the portfolio dip substantially, but by the end of the year, that dip had been recovered:

In thousands of euro	2019	2020
<b>Revenue</b>	<b>5,330</b>	<b>3,711</b>
<b>Operational expenditure</b>	<b>(3,721)</b>	<b>(2,284)</b>
<b>General expenditure</b>		
Overhead costs, salaries and social charges	(467)	(421)
Office expenses	(567)	(609)
Other expenses	(246)	(266)
Amortisation/depreciation of (in)tangible fixed assets	(557)	(571)
<b>Total general expenditure</b>	<b>(1,837)</b>	<b>(1,867)</b>
<b>Total result (excluding special and financial results)</b>	<b>(228)</b>	<b>(440)</b>
Impairment of tangible fixed assets	-	-
Financial result	247	59
Tax	-	17
<b>Net result to accumulated funds</b>	<b>19</b>	<b>(364)</b>

## Highlights 2020

In the knowledge that any conference-related benefits (in-person networking, face-to-face meetings etc) would not be possible, the companies efforts were immediately focussed on delivering additional support and value to all of our members. In real terms, this translated into providing as much support as possible to all the growing segments of the industry, including a significant step up in client side involvement, recruiting the next generation of researcher, reaching out to the Data Science community and providing a best practice library of conducting business in COVID times.

### ESOMAR Membership

- Corporate Membership remained strong despite the COVID-19 pandemic; at the end of 2020, we had 550 Corporate Members – agencies and clients; slightly below 2019, many of these were research buyers - attracted by our client specific focus.
- The ESOMAR membership saw an increase year on year from December 2019 to December 2020 of 12% driven by Corporate membership which grew by 43%. Corporate membership made up 61% of the complete ESOMAR membership at the end of 2020 up from 48% at the end of 2019.
- With the current community of individual and corporate members, we believe we reach more than 40,000 practitioners across the world.

### Young ESOMAR Society (YES)

- The age base of our Young ESOMAR Society – targeted at young professionals to increase their knowledge of, exposure to, and networking in our sector has been reduced to under 31 to better reflect what the industry feels a Young Researcher to be. The loss of our main YES programme sponsor did curtail activities somewhat, but then, national lockdowns were also a significant limitation in his regard! Nonetheless, a series of discussions were facilitated to help young entrants into our profession to see career opportunities, from which it became clear that this group of members is looking to increase their knowledge of research through their membership. With over 500 members under 30 and most likely many, many more under the corporate membership flag, and 275+

YES Award submissions it is clear that young researchers worldwide have found their way to ESOMAR.

### Directory

- The directory offering that was strengthened in 2019 with a website refresh, additional advertising opportunities and a simplification of the offer has led to further 30% growth of the additional online advertising by our members and corporate members. As a direct result an increasing number of visitors searched for trustworthy research partners on the ESOMAR Directory of Research and put in their RFP's (Request for Proposals).
- However, it is also clear that without constant attention, the Directory will fall prey to increased competition; 2021 will need to see further attention brought to bear on this service.

### Codes and guidelines

- The guideline Questions for Buyers of Online Sample has been published with new branding; previously known as the 28 Questions, this has been updated, extended, and warmly received by our sector.
- The final versions of the guidelines for Duty of Care and Primary Research were completed, circulated and have initiated some very valuable discussions in regard to good data practices.
- ESOMAR's Professional Standards Committee issued a Position Statement on the Role of the Industry in supporting COVID-19 and post-COVID-19 measures particularly as regards public expectations and commitment to public policies being developed to countermand its effects.
- ESOMAR launched the Eureka's for COVID-19 Project to collate research findings from ESOMAR members (and data, research and insights companies) on the impact of COVID-19 attracting more than 200 research findings: <https://researchchoices.org/covid19>

### Advocacy & Public Affairs

- ESOMAR's Legal Affairs and Professional Standards Committees pursued their efforts to strengthen links with regulators, organising a delegation visit to Brussels just before COVID-19 measures made it impossible to meet. They met high level officials including Commissioner cabinets, the Belgian Data Protection Authority, and various

stakeholders to discuss implementation of GDPR within the data, research and insights community and challenges facing ESOMAR members in AI, access to data, and the need to maintain a broad definition of research.

- Work continued on the development of a GDPR Research Code of Conduct, a 4th draft was submitted for consideration with the Dutch Data Protection Authority. This project is jointly led by ESOMAR and EFAMRO and supported by national partner associations.
- With ePrivacy Regulation seemingly at a stand-still, the Coalition for Audience Measurement led by ESOMAR in partnership with EBU (European Broadcasters' Union) continued to monitor the legislation.
- ESOMAR was invited to participate in the B20 Summit (Business equivalent to the G20 chaired by Italy), ESOMAR is a full member and is participating in the Integrity and Compliance Task Force.
- ESOMAR was invited to participate in high-level stakeholders meetings organised by Commissioner Didier Reynders on the future of Standard Contractual Clauses, an important mechanism to enable data transfers outside of the European Union.

### ESOMAR Plus

- ESOMAR now supports a growing 129 ESOMAR Plus Subscribers around the world with data privacy matters, working with research and analytics agencies as well as end-clients.

### Disciplinary

- Significant effort has been deployed to now exclusively use of SERENE, our Self-Regulation Engine which facilitates the case handling of complaints submitted to the Professional Standards Committee.
- Accordingly, a significant drop in active complaints was recorded to the point that there are now 6 active complaints and 118 complaints have been successfully closed.

### Associations

- The Association Partnership Programme has expanded to include 51 national and international associations.
- Due to COVID-19, the frequency of Associations Meet-Up was increased using Microsoft Teams. This enabled ESOMAR and partner associations to exchange more

rapidly on emerging challenges facing associations and their members due to COVID-19 disruptions.

- Together with National Associations, the International Market Research Day 2020 attracted significant attention by the industry with the 2-week campaign achieving a reach of over 1.000.000 people
- The Research Got Talent competition expanded beyond Asia Pacific with last year's winner MediaCom Knowledge Team Russia composed of Anna Medvedkova & Olga Kotelnikova and Anna Makarova, Elena Onischenko, Alexander Matushko and Ilgiz Haziev. Other national winners included: Alfredo Valencia, Ipsos, & Luis Ramos, Universidad Catolica de Peru, Peru, Stephanie Perry, Ipsos, Australia, Martin Řípa, Tereza Rösslerová & Vít Pavliš, NMS Market Research, Czech Republic, and Karan Sabnis, Kantar, India. The jury for this global stage of the competition was comprised of experts from the Associations Executive Committee: Philippe Guilbert (Syntec Conseil), John Tabone (Canadian Research Insights Council), Reg Baker (ESOMAR North America ambassador), Dominique Servant (Chair of the Associations Executive Committee), John Smurthwaite (ESOMAR APAC Ambassador), Patricio Pagani (SAIMO – Sociedad Argentina de Investigadores de Marketing u Opinión), Pravin Shekar (MRSI – Market Research Society of India), Chris Farquhar (MRSHK – Marketing Research Society Hong Kong).

### Events

Commercial revenue was heavily affected in 2020 due to the COVID-19 crisis which meant that no planned face to face events could be held. While initially some of the events were postponed in the hope that a speedy reversion to in-person capabilities would be achieved, but it soon became clear that travel restrictions, lockdowns and border closures meant that in-person formats would not be possible for some considerable time.

In pivoting to an exclusively digital offering, the main challenge was to understand what the new, key "benefit" to sponsors would be, and what price levels these could command. This evolution required a mind-set change not only for ESOMAR but also for sponsors around the globe. Thanks to the (ongoing) support of the industry the commercial (revised) budgets were met in 2020 with a

focus on sponsoring ESOMAR content as well as sponsors generating their own content which ESOMAR was able to present to the network.

There were many lessons learnt on both sides but the reach of the online space soon made it apparent that there is great scope in this type of sponsorship, which has been reflected in an increased budget for commercial revenues in 2021.

### Publishing

Publishing revenue saw an increase in 2020 in the online space as Research World continued to become a purely online magazine. The COVID-19 crisis saw a huge increase in readership of 108% in page views as compared to 2019. This was prompted by adding a second editorial layer to the initial planning focused on the unfolding crisis. Again, the commercial revenue in 2021 is continuing to increase as sponsors see the reach and the associated benefits that RW readership can provide, and so continue their support for the online magazine.

### ESOMAR Communications & Brand Exposure

- Launch of a number of new webpages to provide a support kit for members on COVID-19 as well as a Community Circles support area, the Community Circles being a new format launched in 2019 to enable more grassroots exchange between members on emerging issues they face.
- Shift of strategic focus of communications to reinforce our presence on social media where our members most

located with a particular focus on LinkedIn

- Increase in the use of paid advertisement and placement to boost conversions of some of our products and services on social media platforms
- Adjusted the frequency of our outgoing communications affected by declining open rates
- Initiated efforts to refresh our branding and website, as well as simplify the language used to promote ESOMAR and its products and services
- Development of lead generation funnels and more continuous communication with members to remind and highlight various member benefits that they may not be taking benefit of.
- Two highly successful campaigns were ran in 2020, the IMRD2020 and Insights Festivals reached audiences of over 1.000.000 on social media platforms.

### ESOMAR Livestream

Live event streaming of face-to-face events was not possible in 2020 as all events became digital. However through newly introduced formats such our regional and client focused @home sessions, our 3 Insights festival (both globally as well as regionally), the virtual academy and the community circles over 10,000 people registered to increase their knowledge and to network with their peers. In addition almost 26,000 registrations were counted for the webinars organised with the help of sponsors in 2020. Looking beyond 2020 the experience gained within the live event streaming space over the last years will be unmissable as new event formats and hybrid event formats become the norm in the future.

## Financial position and overview

### Revenue

In 2020, the Society registered a turnover of EUR 3,711K, compared to EUR 5,330K in 2019, EUR 5,412K in 2018, EUR 5,609K in 2017 and EUR 5,670K in 2016.

- (1) The COVID-19 pandemic resulting in the series of national lockdowns around the world, meant that all face-to-face conferences for 2020 had to be cancelled.

The first events of the year that needed to go digital were APAC and LATAM, both APAC@home and LATAM@home recorded significant registration levels. The spin-off events later in the year (APAC Insights Festival and LATAM Insights Festival) again recorded high delegate registration numbers.

Our first Global Insights Festival (the digital version of Congress) achieved EUR 101K in revenue. As the decision was made to make this even free to members and partners, 96% of this revenue came from sponsorship.

- (2) Membership revenue for 2020 increased by EUR 17K to EUR 2,068K (after re-allocation to other activities). A small growth compared to 2019 thanks to our loyal members and to the success of the License fees and the ESOMAR plus services provided to our corporate members.

The License package (i.e. employees can register as "designated members" for a fixed annual fee) was first sold in 2017. The popularity of the license fee continued in 2020 after some modifications to the offer had been made in 2019 and resulted in a further revenue growth (2017: EUR 33K, 2018 EUR 86K, 2019 EUR 119K, 2020 EUR 174K).

- (3) The impact of corporate membership subscriptions has not only benefited the membership numbers but has also contributed significantly to the Directory results for 2020. 38% of all Directory revenue comes from corporate membership subscriptions vs. 36% in

2019, 37% in 2018, 40% in 2017, 35% in 2016 and 32% in 2015. Total Directory revenue increased from EUR 1,230K in 2019 to EUR 1,234K in 2020.

- (4) Education (Virtual Academy both live and on-demand and sponsored webinars including the regional@home sessions as referred to above,) contributed positively to the 2020 accounts, generating a surplus of EUR 47K vs. EUR 16K in 2019. The number of participants to the Virtual Academy was 3 times as high as the Summer Academy of 2019 showing the interest from both our members and non-members to increase their knowledge and improve their skills digitally. Virtual Academy and webinars both contributed equally to the revenue of EUR 110K.

- (5) Research World and ESOMAR publications also contributed positively to the surplus result, by EUR 96K compared to EUR 54K in 2019. Revenue increased slightly from EUR 184K to EUR 187K mostly due to a new publication called "The continued Evolution of the Data, Analytics, and Insights Industry 2020". Majority of the improved surplus however comes from the savings made on the production of Research World. The shift from print to a full digital platform has not only increased the number of readers, but also reduced the cost level, as print an mailing costs could be removed completely.

### Expenditure

General Expenditure as per the table presented on page 4 increased compared to 2019, Partially due to New CRM implementation related costs (licenses during implementation phase, extra amortisation on historical investments in current CRM system) and partially due to accrual for N.O.W. related audit costs. In 2021 we will change to a new CRM platform in order to be able to increase the engagement with our members in this new era. General expenditure totalled EUR (1,867)K in 2020 vs. 2019 – EUR (1,837)K.

The total result (excluding special and financial results) for 2020 as per the table presented on page 3 registered a negative result of EUR (440)K compared to EUR (228)K in 2019. The Covid-19 pandemic did impact on our Financial Assets performance in Q1 where we lost EUR (222)K in

value. During Q2, Q3 and Q4 we saw a recovery of stock exchanges. As a result we managed to end the year 2020 with a positive Financial Asset result of EUR 69K. Previous year results were EUR 247K in 2019 vs. EUR (78)K in 2018 vs. EUR 80K in 2017 vs. EUR 110K in 2016.

The solvency of ESOMAR is, as always, very good with a 62% score. With a total of cash and equivalent of EUR 3,163K at year end 2020 (3,533K in 2019) there is limited risk ESOMAR will not be able to cover their bills.

## Financial risk management

### Overview

The Group has exposure to credit, liquidity and market risk, from its use of financial instruments. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management capital. Further quantitative disclosures are included throughout these abbreviated consolidated financial statements.

### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Principally it arises from the Group's receivables from investment securities and customers.

### Investments

The Group limits its exposure to credit risk by mainly investing in triple-A rated bonds and securities (Standard & Poor's) and A from Moody's. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

### Trade and other receivables

The Group's exposure to credit risk is influenced mainly by each customer's individual characteristics. The Group establishes an impairment allowance that represents its estimate of incurred losses regarding trade and other receivables and investments. The allowance consists of a specific loss component that relates to individually significant exposures.

### Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses for the current period. This is done by preparing cash flow budgets for the coming year and the current cash position (including cash position as part of asset management) is sufficient to cover the operational expenses. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

### Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its financial instruments holdings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk investment. The Group has mandated ABN AMRO Asset management to buy and sell securities and to maintain cash balances for investment purposes. All such transactions are carried out within the risk profile set by the Council of the Society of ESOMAR. In order to manage market risks, the asset management portfolio performance is reviewed on a monthly basis by the management of ESOMAR.

### Currency risk

The Group is exposed to currency risk on investments and purchases that are denominated in a currency other than the Euro. Based on the risk assessment performed by the Group, the net exposure of the currency risk is kept to an acceptable level and therefore no hedge instruments are applied to manage the currency risk on investments and trade payables denominated in a foreign currency.

### Interest rate risk

The risk of fluctuations in value of fixed income assets is not hedged.

### Other market price risk

The primary goal of the Group's investment strategy is to maximize investment returns, keeping in mind the defined strategic mix agreed by Council and the management of ESOMAR. In accordance with this strategy all investments are designated at fair value through profit or loss since their performance is actively monitored and they are managed on a fair value basis.

## Capital management

The Group monitors its capital which comprises all components of accumulated funds attributable to the members of the society. The Group's objective when maintaining capital is to safeguard the Group ability to continue as a going concern, so that it can continue to meet its strategy and benefits for other stakeholders.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. Following the capital management structure, the Group's strategy is to preserve a strong cash base and to have a spread investment portfolio.

## Industry outlook 2021:

At the time of writing, we are 120+ days into 2021 and more than a year into the COVID-19 pandemic. For some, a way out of this health and economic crisis is increasingly visible, but prospects remain highly uncertain as others still face into the darkness of a third wave of infections (eg Brazil & India). While some countries have eased their social restrictions, many others still have travel bans, border closures, restrictions on public gatherings, restrictions on sporting fixtures and indeed, lockdowns, in place.

The strength of the recovery will depend in no small measure on a rapid rollout of effective vaccines worldwide, and greater clarity on the likely duration of employment support measures. Much remains to be done to beat back the pandemic and avoid persistent increases in inequality within countries and divergence in income per capita across economies.

That said, our sector is now faced with a significant opportunity, as businesses, governments and public institutions need to understand the changes in citizen, customer and consumer behavior, that have been facilitated by the pandemic. The phrase "never waste a good crisis" has perhaps never had more relevance for our sector, than in helping to guide our clients businesses into the new, post-COVID future.

2020 was intended to be another year of innovative developments ... a partnership approach with the Market Research Society of India promised to deliver over 600 delegates to our APAC event in Delhi; a partnership with APEIM in Peru was to allow us our first foray into a country outside of the "Big 4" economies in Latin America, in more than 25 years, and Congress was planned for Toronto, to support and reinforce Canada's revitalized contribution to the global research market. Now however, we must recognize that the market for the international conferences of old has changed; that travel restrictions will mean that national conferences will recover more quickly than international ones, and that our focus needs to be on making 2022 – our 75th anniversary – as the "return to normality".

The need to pivot digitally; the need to re-structure our business to meet the reduced turnover implications, and the need to incorporate a "hybrid" flexibility in all of our communication platforms, pre-determined a lot of our activity last year, and has been a large part of our focus for 2021. However, this does not mean that we will curtail our activities on other portfolios ... on the contrary! The debate around ethics in A.I. and algorithmic systems remains extremely important and topical, and we will continue to contribute at both national and regional levels; the on-going evolution of cookie law and privacy law are also proceeding apace and will be closely monitored by us. The increasing deployment of "synthesizing" multiple databases, and defining codes of practice for doing so, is a question on everyone's lips, as well as the very topical point of promoting and ensuring diversity and inclusion in everything we do. You will continue to see ESOMAR forge new paths on all of these, and more.

Our financial Statements are prepared based on the continuity principle and although the covid-19 pandemic has had a negative impact on the financial outcome of 2020, our financial fixed assets, (EUR 5M at the end of 2019, of which 50% is readily available in liquidities), provides us with more than enough cash reserves to allow us to meet all our financial obligations and guarantee the continuity of ESOMAR until such time as the world is not COVID-restricted and we will be able to offer our members and non-members global and regional face-to-face events again.

Finally, it has perhaps never been as important to stress that whatever success we can report in supporting you, our members, by deploying all our resources, is simply a reflection of your input and guidance; none of our activities or accomplishments can be achieved without your thoughts, contributions, critiques and debate; these have all guided us in our work and have facilitated the generation of those key ideas that will influence the industry over the next 20 years. To all our contributors, supporters, advisors and advocates, actual and future, we wish to extend a most sincere "Thank You".

In these uncertain times, it is more important than ever to remember that any individual or company who chooses

to join our community, sign up to the Code and invest in the future of this profession, demonstrates a clear and distinct desire to set themselves apart as a responsible, distinguished user of data and provider of insights. Never before has the ethics of data been so important and ESOMAR promises to support and develop that distinction with all that it does.

Lastly, we look forward enormously to welcoming you – irrespective of whether you are a member or nonmember – to join us, to chat with us, to participate in an event with us, or to contribute in some other way with us, so that we may all truly celebrate and advance the cause of research.

We do regret that to-date – and since March 2020 – these touchpoint occasions have been more virtual than face-to-face, but please know that we welcome every single one of our interactions with you, and we look forward to when we can see each other in person, again.

Amsterdam, 16 June 2021  
The Board of Management,

**Finn Raben**                      **Marie-Agnès Mourot de Lathyle**  
Director General              Chief Finance & Operations Officer

## Abbreviated consolidated statement of the financial position As at 31 December 2020

In thousands of euro	2020	2019
<b>Non-current assets</b>		
Intangible assets	661	600
Property, plant and equipment	679	964
Financial fixed assets	5,069	5,010
Income tax deferred	32	32
<b>Total non-current assets</b>	<b>6,441</b>	<b>6,606</b>
<b>Current assets</b>		
Inventory	-	3
Receivables		
Debtors	205	225
Prepaid expenses and other receivables	463	304
Income tax receivable	53	58
Accrued income	48	48
	769	635
Cash and cash equivalents	688	1,035
	688	1,035
<b>Total current assets</b>	<b>1,457</b>	<b>1,673</b>
<b>Total assets</b>	<b>7,898</b>	<b>8,279</b>
<b>Current liabilities</b>		
Payables and accrued expenses	799	568
Income tax payable	-	-
Deferred income	2,204	2,452
Total current liabilities	3,003	3,020
<b>Total assets less current liabilities</b>	<b>4,895</b>	<b>5,259</b>
Financed by: accumulated funds attributable to the members of the Society	4,895	5,259



### Abbreviated consolidated statement of profit or loss For the year ended 31 December 2020

In thousands of euro	2020	2019
<b>Professional standards and membership</b>		
Membership and entrance fee	2,068	2,051
Local meetings	-	4
Membership expenditure	(536)	(487)
	1,532	1,568
Directory entries	1,235	1,230
Directory expenditure	(588)	(518)
	647	712
Other corporate and representation expenditure	(898)	(1,030)
<b>Subtotal gross margin professional standards and membership</b>	<b>1,281</b>	<b>1,250</b>
<b>Professional development and events</b>		
Congress revenue	101	1,164
Congress expenditure	(71)	(955)
	30	209
Conferences revenue	9	635
Conferences expenditure	(31)	(555)
	(22)	80
Education (workshops) revenue	110	61
Education (workshops) expenditure	(65)	(45)
	45	16
Publishing revenue	188	185
Publishing expenditure	(95)	(131)
	93	54
<b>Subtotal gross margin professional development and events</b>	<b>146</b>	<b>359</b>
<b>Total gross profit</b>	<b>1,427</b>	<b>1,609</b>
<b>General expenditure</b>		
Overhead costs, salaries and social charges	(421)	(467)
Office expenses	(609)	(567)
Other expenses	(266)	(246)
Amortisation and depreciation on intangible and tangible assets	(571)	(557)
<b>Total general expenditure</b>	<b>(1,867)</b>	<b>(1,837)</b>
<b>Operating result (carry forward)</b>	<b>(440)</b>	<b>(228)</b>

### For the year ended 31 December 2020

In thousands of euro	2020	2019
<b>Operating result (carried forward)</b>	<b>(440)</b>	<b>(228)</b>
Finance income	91	288
Finance expenses	(32)	(41)
<b>Net finance income / (expense)</b>	<b>59</b>	<b>247</b>
<b>Net result before tax</b>	<b>(381)</b>	<b>19</b>
Income tax	17	-
<b>Net result and comprehensive income attributable to the members of the Society</b>	<b>(364)</b>	<b>19</b>

### Abbreviated consolidated cash flow statement For the year ended 31 December 2020

In thousands of euro	2020	2019
<b>Operating result</b>	<b>(440)</b>	<b>(228)</b>
Amortisation of intangible assets	258	207
Depreciation property, plant and equipment	313	350
Changes in provisions	(20)	20
Change in fair value Financial fixed asset	(21)	(86)
Gain/(loss) on disposal of Financial fixed asset	(8)	(157)
	82	106
Changes in inventory	3	1
Changes in debtors	40	61
Changes in prepaid expenses, other receivables and accrued income	(159)	253
Changes in payables and accrued expenses	189	(384)
Changes in taxes and social security	11	93
Changes in deferred income	(249)	220
<b>Net cash flow from operations</b>	<b>(83)</b>	<b>350</b>
Income tax paid	22	(25)
Interest paid	(32)	(41)
<b>Net cash flow from operating activities</b>	<b>(93)</b>	<b>284</b>
<b>Cash flows from investing activities</b>		
Interest received	76	275
Proceeds from sale of financial fixed assets	45	2,219
Acquisitions of investments	(83)	(2,112)
Acquisitions of intangible assets	(287)	(131)
Acquisition of property, plant and equipment	(28)	(71)
<b>Net cash flow from/(used) in investing activities</b>	<b>(277)</b>	<b>180</b>
<b>Net cash from/(used) in financing activities</b>	<b>-</b>	<b>-</b>
<b>Net movement in cash and cash equivalents</b>	<b>(370)</b>	<b>464</b>
Cash and cash equivalents at 1 January	3,533	3,069
Cash and cash equivalents at 31 December	3,163	3,533
<b>Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents	688	1,035
Cash component of Asset Management	2,475	2,498
Cash and equivalent at 31 December	3,163	3,533

### Abbreviated consolidated statement of changes in equity For the year ended 31 December 2020

In thousands of euro	
Balance as at 1 January 2019	5,240
Net result for the year 2019	19
Balance as at 1 January 2020	5,259
Net result for the year 2020	(364)
<b>Balance at 31 December 2020</b>	<b>4,895</b>

# Notes to the abbreviated consolidated financial statements for the year 2020

## 1 General notes

### Activities

ESOMAR is the world organisation for enabling better research into markets, consumers and societies. With 6,280 (of which 50 applicants) members in 136 countries, ESOMAR's aim is to promote the value of market and opinion research in illuminating real issues and bringing about effective decision-making. In addition to the 6,280 individual members we are proud to have 561 corporate members, (of which 11 applicants) representing more than 40,000 employees, as part of our member base.

To facilitate this on-going dialogue, ESOMAR creates and manages a comprehensive programme of industry specific and thematic conferences, publications and communication as well as actively advocating selfregulation and the worldwide code of practice.

### Registered office

ESOMAR was founded in 1948 as the European Society for Opinion and Marketing Research (ESOMAR or "the Society"). The registered office of the Society is in Amsterdam, the Netherlands. Operations are managed from the office, which is located at Atlas Arena, Hoogoorddreef 5, 1101 BA Amsterdam, The Netherlands. The Society has a 100% subsidiary: ESOMAR B.V., which is registered in the Netherlands.

### Basis of consolidation

The abbreviated consolidated financial statements include the financial statements of the Society and its subsidiary ESOMAR B.V. ("the Group"), using the full consolidation method.

All material inter-company income and expenses, balances, transactions and profits and losses resulting from intra-group transactions are eliminated on consolidation. The Society

has a 100% subsidiary: ESOMAR B.V., which is registered in the Netherlands.

### Continuity

As anticipated, the restrictions on foreign travel necessitated by the global pandemic halted all our face-to-face event activities in 2020, which resulted in a 45% decline in revenues. Despite a swift digital pivot, significant cost reductions and restructuring, this has resulted in a recorded loss for 2020. More positively, the re-formulation of our structures, costs and offerings, have resulted in a more efficient and resilient platform for 2021 and beyond, without losing any perceived value in the services we offer to our members.

A variety of digital options and solutions were implemented to ensure we continued to deliver topical, relevant and high quality content to members, while simultaneously providing us with the capability to offer "hybrid" solutions once international travel is restored.

Our financial fixed assets, EUR 5.1M at the end of 2020, of which 50% is readily available in liquidities, provided us with sufficient cash to meet all our financial obligations. This, coupled with our successful appeal to the Dutch government for partial salary subsidy, guarantees the continuity of almost all ESOMAR services (except of course, face-to-face meetings), until such time as the vaccine has been rolled out globally and we will once again be able to offer our members (and non-members), the opportunity to participate in and benefit from, our global and regional face-to-face events.

### Use of estimates and judgements

The preparation of abbreviated consolidated financial statements in compliance with Dutch GAAP requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are

based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of

the revision and future periods if the revision affects both current and future period.

The estimates and assumptions that have a risk of causing an adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- Impairment allowance for doubtful debtors (refer to note 9);
- Useful lives of intangible assets and property plant and equipment (refer to note 5 and 6);
- Recoverability of the deferred tax asset.

## 2 General accounting policies

### Basis of measurement

The abbreviated consolidated financial statements are prepared under the historical cost convention except for the following assets and liabilities, which are stated at fair value: derivative financial instruments, financial instruments and assets held for trading.

### Functional and presentation currency

The abbreviated consolidated financial statements are presented in Euro thousands and rounded as such, which is equal to the functional currency.

### Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign

currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity investments, a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised in other comprehensive income.

## 3 Accounting policies applied to the valuation of assets and liabilities

### Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the income statement using the straight-line amortisation method with no residual value over the estimated useful life of the assets (5 years).

### Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is charged to the income statement using the straight-line depreciation method with no residual value over the estimated useful lives of the assets mainly as follows:

- Office renovation: 10 years
- Office equipment and furniture: 5 years

### Financial instruments

#### Non-derivate financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or

to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

#### Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss. Financial assets designated at fair value through profit or loss comprise equity securities that otherwise would have been classified as available for sale.

#### Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents, and trade and other receivables, including service concession receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

#### Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other

comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss. Available-for-sale financial assets comprise equity securities and debt securities.

### Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise loans and borrowings, and trade and other payables.

### Inventory

Inventories are stated at the lowest of cost and net realisable value. The cost of inventory is based on the FIFO method.

### Impairment

An assessment is made at each balance sheet date whether there is an indication that an asset may be impaired. If any such indication exists, an estimate of the asset's recoverable amount is made. An asset's recoverable amount is the highest of its fair value less selling costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the income statement.

### Recognition of Income, other than events

This represents revenues from third parties, mainly members of the Society.

- Membership fees are recognised in the income statement of the period to which they relate. Membership entrance fee is invoiced to new members only and recognised at invoice date.
- Directory income is recognised in the income statement of the period to which the fees relate.
- Publishing revenue is recognised in the income statement at shipment date.

### Recognition of Income and expenses from events (Congress, Conferences and Education)

Congress, Conferences and Education revenue is recognised in the income statement on the date when the event takes place.

### Deferred income

As far as revenue is presented on the balance sheet under Deferred income the amounts relate to the sum of what has been invoiced throughout the reporting year with regard to revenue to be recognised in the income statement of the following reporting year.

### Expenditure

Expenditure is directly allocated to activities where possible; salaries are allocated based on the number of staff working for specific activities.

### Defined contribution plans

Commitments for defined contributions to pension plans are recognised as expenditure in the income statement as incurred. The pension premiums payable as per balance sheet relate to the Group's contribution to the pension scheme.

### Financial income net

Interest income is recognised in the income statement as it accrues. Dividend income is recognised in the income statement on the date the entity's right to receive payment is established. Furthermore, the financial expenditure comprises interest payable and management fees for Asset Management.

### Income tax

Income tax on result is calculated by applying the current Dutch tax rate to the taxable result of the 100% subsidiary ESOMAR B.V.

No tax is due on the result of the Society, as these activities are tax exempt in The Netherlands.

### Deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognized insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses. The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting

year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred income taxes are recognized at nominal value.

### Cash flow statement

The abbreviated consolidated cash flow statement, which has been prepared according to the indirect method, shows the cash flow from operating activities, investing activities, financing activities and the cash position at the beginning and at the end of the year. Cash flow from operating activities is stated as operating result adjusted for non-cash operating items and working capital movements. Cash flow from investing activities comprises investments and divestments of intangible, tangible and financial assets. The cash equivalents within the cash flow statement comprise the cash and the cash component of the Asset Management.

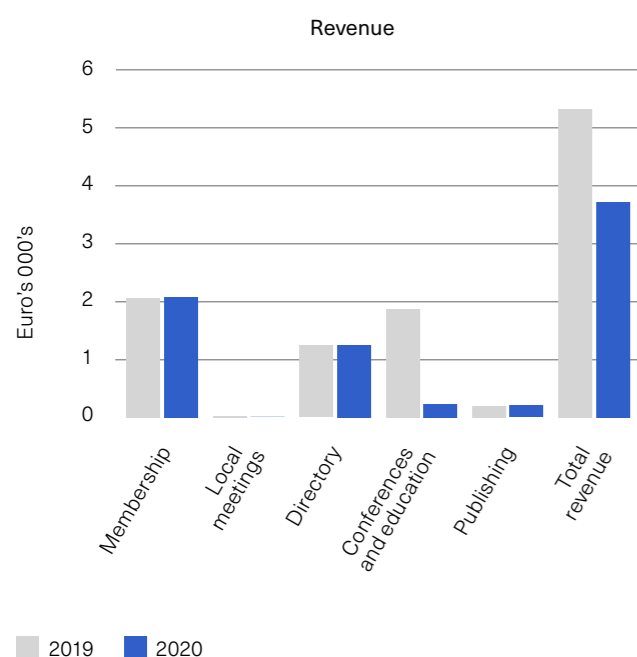
## Abbreviated consolidated statement of profit and loss for the year 2020

### Revenue

Total revenues decreased by 30% from EUR 5,330K in 2019 to EUR 3,711K in 2020.

Revenues can be analysed as follows:

Membership and entrance fees EUR 2,068K (2019: EUR 2,051K), Local meetings EUR 0K (2019: EUR 4K), Directory entries EUR 1,235K (2019: EUR 1,230K), Conferences and education EUR 220K (2019: EUR 1,860K) and Publishing EUR 188K (2019: EUR 185K).

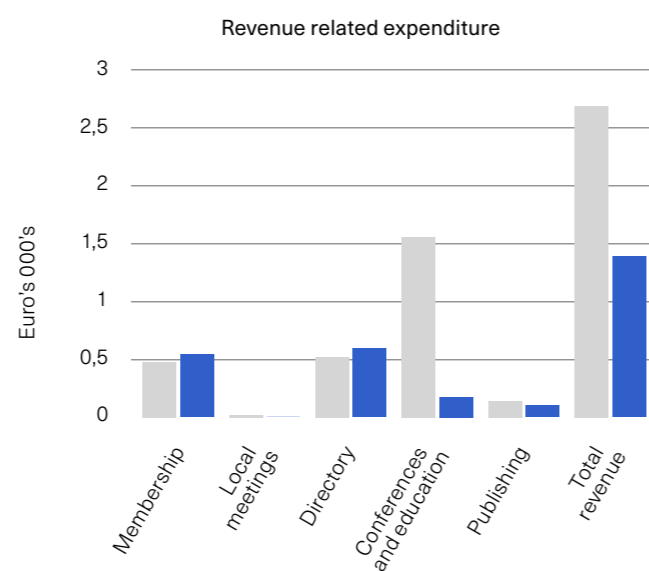


### Revenue related expenditure

Total revenue related expenditure decreased by 48% from EUR 2,691K in 2019 to EUR 1,386K in 2020.

Expenditure can be analysed as follows:

Membership EUR 536K (2019: EUR 473K), Local meetings EUR 0K (2019: EUR 14K), Directory EUR 588K (2019: EUR 518K), Conferences and education EUR 167K (2019: EUR 1,555K) and Publishing EUR 95K (2019: EUR 131K).



■ 2019 ■ 2020

## Other corporate expenditure and representation

Corporate expenditure and representation can be specified as follows:

In thousands of euro	2020	2019
Governance (Council and committees)	13	82
Public Relations and Representation	231	248
Self-regulation	106	161
Market Research and Development projects	69	94
Other Industry Initiatives	5	38
Allocated salaries	474	407
<b>Total</b>	<b>898</b>	<b>1,030</b>

## Overhead costs, salaries and social charges

Overhead costs, salaries and social charges can be specified as follows:

In thousands of euro	2020	2019
<b>Overhead costs, salaries and social charges</b>		
Salaries	2,035	1,826
N.O.W.	(392)	-
Sickness benefit	(26)	(4)
<b>Salaries and sickness benefit</b>	<b>1,617</b>	<b>1,822</b>
Social security charges	270	288
Pension charges	149	156
Insurances	42	42
Travel allowance	27	45
<b>Other salaries related costs</b>	<b>488</b>	<b>531</b>
<b>Salary cost allocated to events, publishing and other activities</b>	<b>(1,684)</b>	<b>(1,886)</b>
<b>Total</b>	<b>421</b>	<b>467</b>

The pension charges relate to a defined contribution plan. The insurances charges relate to insurances of ESOMAR staff. The average number of FTE taking into account part-timers converted during the year was 33 (2019: 34).

## Office expenses

The office expenses can be specified as follows:

In thousands of euro	2020	2019
General office and personnel costs	63	52
Rental and lease costs	166	134
Telephone, internet and fax	35	42
Computer consultancy and license fees (*)	292	293
Cleaning	16	16
Electricity and gas	30	29
Other	7	1
	609	567

(\*) License fees that are being depreciated over more than 12 months have been moved from office expenses to the intangible fixed assets.

## Other expenses

The other expenses can be specified as follows:

In thousands of euro	2020	2019
Brand/General Promotion	13	16
Website/CRM	55	45
Advisory costs: tax, legal, etc.	100	108
Audit fees (*)	78	55
Training personnel	20	22
	266	246

(\*) Audit fees 2020 include a provision of EUR 21K for audits on N.O.W. 1, 2 and 3.

## Net finance income / (expense)

The net finance expense can be specified as follows:

In thousands of euro	2020	2019
Other income/financial results	13	-
Interest income on financial assets	19	22
Dividend income on financial assets	35	27
Net gain on disposal of financial assets	3	157
Change in fair value of financial assets	21	82
<b>Finance income</b>	<b>91</b>	<b>288</b>
Management fees	(24)	(24)
Bank charges	(8)	(17)
<b>Finance expenses</b>	<b>(32)</b>	<b>(41)</b>
<b>Net finance income / (expense)</b>	<b>59</b>	<b>247</b>

## Related parties

### Compensation of key management

The Board of Management is the group's key management.

The following table summarises the compensation received by key management:

In thousands of euro	2020	2019
Short-term employee benefits	394	365
Post-employment benefits	43	40
<b>Total</b>	<b>437</b>	<b>405</b>

The Society members elect a Council, voluntary unpaid non-executive directors who act in accordance with the statutes of the Society, on behalf of the members.

The Society reimbursed the expenses incurred by Council members amounting to EUR 4K (2019: EUR 23K).

### Subsequent events

At the time of writing, we are 120+ days into 2021, and have been dealing with the impact of the global pandemic for more than a year ...

The widespread impact of the pandemic on society is changing, as some countries make good progress with their vaccination programme; however, this is offset by those nations who are now suffering from a deadly third wave of infections.

While the immediate impact of the restrictions in 2020 resulted in a significant reduction in ESOMAR's turnover and a resultant recorded loss for the year, the cost restructuring implemented in response has allowed the association to record a much improved start to 2021. While we do not believe that we will be able to restore face-to-face events until 2022 – which will make the anniversary year all the more important – the digital platforms we now have available allow us to continue all other services to our members, without interruption.

Our financial fixed assets, EUR 5.1M at the end of 2020, of which 50% is readily available in liquidities, provided us with sufficient cash to meet all our financial obligations. This, coupled with our successful appeal to the Dutch government for partial salary subsidy, guarantees the continuity of almost all ESOMAR services (except of course, face-to-face meetings), until such time as the vaccine has been rolled out globally and we will once again be able to offer our members (and non-members), the opportunity to participate in and benefit from, our global and regional face-to-face events.

Amsterdam and 16 June 2021

The Board of Management,

**Finn Raben**  
Director General

**Marie-Agnès Mourot de Lathyle**  
Director Finance & Services

# Independent auditor's report

To: the members and the Council of The Society of ESOMAR

## Our opinion

The abbreviated consolidated financial statements 2020 of The Society of ESOMAR, based in Amsterdam, are derived from the audited consolidated financial statements of The Society of ESOMAR.

In our opinion the accompanying abbreviated consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements of The Society of ESOMAR in accordance with the principles described in note 1-3.

The abbreviated consolidated financial statements comprise:

1. the abbreviated consolidated statement of financial position as at 31 December 2020;
2. the abbreviated consolidated statement of profit and loss for 2020; and
3. the notes comprising a summary of the applicable accounting policies and other explanatory information.

## Abbreviated consolidated financial statements

The abbreviated consolidated financial statements do not contain all the disclosures required by Part 9 of Book 2 of the Dutch Civil Code. Reading the abbreviated consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of The Society of ESOMAR including our auditor's report thereon. The abbreviated consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

## The audited consolidated financial statements and our auditor's report thereon

We expressed an unqualified audit opinion on those consolidated financial statements in our report dated 16 June 2021.

## Responsibilities of management the Council for the Abbreviated consolidated financial statements

Management is responsible for the preparation of the abbreviated consolidated financial statements in accordance with the principles described in note 1-3.

The Council is responsible for overseeing the company's financial reporting process.

## Our responsibilities

Our responsibility is to provide an opinion if the abbreviated consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, based on our audit, in accordance with Dutch law, including Dutch Standard on Auditing 810 Engagements to report on abbreviated financial statements.

Amstelveen, 16 June 2021

For and on behalf of BDO Audit & Assurance B.V.,

sgd.  
A.P. van Veen RA

The image features the word "ESOMAR" in a bold, white, sans-serif font, centered horizontally and vertically against a dark blue background. The background is decorated with a repeating pattern of light blue hexagons, some of which are slightly darker than others, creating a subtle grid-like texture.

**ESOMAR**