

2023

**IMPACT AND
ACCOUNTABILITY REPORT**

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INTRODUCTION

Dear all:

From the quarterdeck, with an eye firmly fixed on the horizon, we continue navigating the seas of old Europe and are here to report on the changes of course in our voyage. As the AWO crew well knows, working or supporting the Observatory can be plain sailing, but at other times heavy weather or tempestuous seas require constant changes of tack in the face of uncertainty, and the flexibility the moment requires; all in our endeavor to achieve the best possible version of our AWO team.

After years in port, we are weighing anchor to set sail on a new adventure that began with a change of name, logo, communication strategy and vision. With fair winds, we have lowered the Equalia pennant and run up the new flag of the Animal Welfare Observatory. Thinking that it was no longer enough to achieve the best animal welfare standards in the meat industry, we decided to set our sights on being closer to our final destination: An end to factory farming, which generates so much suffering for people, animals and the environment!

The breeze fair aft, all sails on high, ten guns on each side mounted, we continued full sail in our venture to convince Lidl to accept the European Chicken Commitment in seven countries, and although we have not yet achieved this victory, we are well on the way. As part of the campaign, we set the cat among the pigeons in the media by launching images of the farm of horrors, a pig farm related with a Lidl supplier, embroiling not only the supermarket but also animal welfare certifications and the already

highly questioned meat industry itself in the scandal. Our voyage will continue, even if we have to row, and sooner or later the day will come when we can climb the highest mast and shout: Commitment ahoy!

The European initiative to end cages has been postponed, which means a few more years before we put an end to cages, but our course is clearly set for a Europe without cages, and we will steadfastly fight the good fight with all the weapons available in our ship's magazine.

It was precisely the compass rose that gave us good omens in the maritime sphere, and we achieved a colossal commitment with a giant of European aquaculture, Avramar, the largest producer of sea bass and sea bream in Europe. After discussions with AWO, they committed to implementing stunning on all of their fish farms in Spain before 2027 and following the same practice for 50% of production in their facilities located in Greek waters.

As the captain on board, always with the logbook in one hand and the other on the helm, we had a starting point and a destination, for now unknown, which we will discover and navigate with the same excitement as always.

Full speed ahead!



Guillermo Moreno
Founder and Executive Director



MISSION AND VISION

AWO is a non-profit devoted to improving the living conditions of farmed animals that suffer the worst standards in animal welfare.

Our mission is to reach agreements with businesses and institutions to end the suffering of animals raised for food.

Our vision is to achieve a food system free of factory farming.



LINES OF ACTION



- **Awareness**

We publish investigative reports that show food businesses, regulatory organizations and society as a whole the irregular or particularly cruel practices employed in intensive livestock farming.

- **Business commitment**

We ensure that food businesses make public and fulfil their commitments in animal welfare related with some of the species that are the most farmed and the most overlooked: laying hens, broiler chickens and fish.

- **Institutional commitment**

We work with institutions and political groups, helping develop regulations that put progress in animal welfare on sustainability agendas.

- **Generating movement / capacity building**

We invest part of our resources in sharing knowledge with other international organizations that work for the effective defense of animals.

PROGRESS IN 2023

“CAGE-FREE EGGS” INITIATIVE

Achievements

- Direct impact* on 47,000 laying hens.
- Completed cage-free eggs policy: seven of the main supermarket chains and producers report advances in their policies.
- Organization of an act in the Senate of the Spanish parliament on the European Citizens' Initiative “End the cage age” with a potential media impact on 33 million people.
- Five political parties include putting an end to cages and the importance of farmed animal welfare in their general election manifestos.



* Direct impact: the number of animals positively affected in Spain by a business policy in which AWO has played an essential role alone or with a maximum of two other organizations.

Work undertaken

SUPERMARKET RANKING	FRESH EGG POLICY	EXTENSION TO EGG INGREDIENT IN OWN BRAND	COMMITMENT COMPLIANCE DATE	ANNUAL REPORT ON FRESH EGG IN OWN BRAND	ANNUAL REPORT ON FRESH EGG IN OTHER BRANDS
① Mercadona	Committed	Not committed	2025 ¹	No report	No report
② Carrefour	Committed	35%	2025	100%	100 % programmed for June 2024
③ Lidl	Committed	100%	2019	100%	100%
④ DIA	Committed	Not committed	2025	58 % of available references	
⑤ Eroski	Committed	No report	2025	59,5 % of fresh egg sales	
⑥ Consum	Committed	12 % of products with egg ²	2025	52 % of references are code 0 and 1 eggs	
⑦ Alcampo	Committed	22 % of distributed units	2025	100%	63% of units distributed
⑧ El Corte Inglés	Committed	No report	2025	100%	97%
⑨ Aldi	Committed	56%	2025	100%	100%
⑩ Ahorramas	Committed	Not committed	2019	100%	100%

¹ During 2022, Mercadona unilaterally modified the date of compliance from 2023 to 2025.

² Consum does not have a defined policy for a range of products or implementation date for the transition to cage-free eggs used as an ingredient in own-brand products.

EUROPEAN CHICKEN COMMITMENT INITIATIVE



Achievements

- Direct impact* on 27,500,000 broiler chickens.
- Three new agreements with large supermarket chains (Ametller Origen, Dia and La Sirena), two of which report advances in their European Chicken Commitment policies (Carrefour and Eroski).

* Direct impact: the number of animals positively affected in Spain by a business policy in which AWO has played an essential role alone or with a maximum of two other organizations.

Work undertaken

SUPERMARKET RANKING	EUROPEAN CHICKEN COMMITMENT POLICY	COMMITMENT COMPLIANCE DATE	IMPLEMENTATION REPORT
① Mercadona	Not committed	-	-
② Carrefour	Committed	2026	Not adequately reported
③ Lidl	Not committed	-	-
④ DIA	Committed	2026	No report
⑤ Eroski	Committed, reports significant advances	2026	Reports
⑥ Consum	Not committed	-	-
⑦ Alcampo	Committed	2026	Reports significant advances
⑧ El Corte Inglés	Committed	2026	Reports advances
⑨ Aldi	Committed	2026	No report
⑩ Ahorramas	Not committed	-	-

* Updated 13/03/23.

WELFARE OF FISH ON FISH FARMS



Achievements

- Agreement on stunning with Sürsan, sea bream and sea bass producers in Turkey, whose main clients are in the European Union, including Spain.
- Agreement on stunning with Avramar, the company with the largest production of sea bream and sea bass in the world.
- Impact on 133 million fish.
- Presentation of data promoting animal welfare in Mediterranean aquaculture at the RedCIBA conference, Official College of Veterinarians of Madrid, the Aquatic Life Conference and the European Aquaculture Society Conference.

Work undertaken

In 2022, Spain produced over 23,000 tonnes of sea bass, more than 16,000 tonnes of rainbow trout and almost 9,000 tonnes of sea bream. From 2023, at AWO we devoted our efforts to promoting the implementation of pre-stunning before slaughter for these species.

On the other hand, we have participated in drawing up specialist guidelines for sea bass and sea bream in a joint project with the Spanish aquaculture business association, APROMAR, Compassion in World Farming and the scientific community with the endorsement of the Spanish Ministry of Agriculture, Fisheries and Food (MAPA). These documents will be published in 2024. The texts include a section on stunning, indicating that immersion in ice water is a method that is neither effective nor accepted, and which causes unnecessary stress for fish.

Support for a human slaughter in fish could potentially be justified by empirical uncertainty around the severity and duration of pain, or to help lay the ground for future (longer-duration) farmed fish welfare interventions.



We have also commissioned a scientific report from the Animal Welfare Education Centre, a company related with the Autonomous University of Barcelona, on the feasibility of implementing stunning in the rearing processes of sea bream and sea bass. The report will be published in 2024.

On the other hand, in coordination with other organizations working on fish welfare in the Mediterranean, we drew up a commitment on stunning for sea bream, sea bass and trout. The text was presented to producers and mass distribution at a meeting, with particular focus on supermarkets.



COMMUNICATION

Rebranding

After a year of hard work, mostly by our colleagues in the Communications Department, we launched our change of brand, which involved modifying our name, logo and communications strategy. Equalia was replaced by the Animal Welfare Observatory, a new name we thought would suitably evoke a serious organization that is always alert to what businesses or institutions are doing, and aligns us even more with the work we do, eminently centered on reducing suffering for the highest possible number of farmed animals.

In communications, we decided to opt for an approach that is more emotional, fresh, dynamic, and even at times, humorous.



OPERATIONS

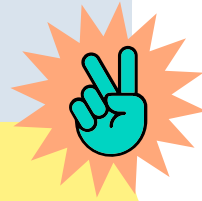
People and culture

Our priority in 2023 was to guarantee a better work-life balance and development for our staff. With this in mind, we created internal policies to limit the number of overtime hours, and promoted mechanisms to ensure that staff take the breaks they should. On the other hand, measures and tools were implemented to increase efficiency and prioritize team tasks, thanks to which we achieved a better work-life balance. Our satisfaction survey found an increase of over 90 % in uptake of vacations and compensation for overtime.

On a different note, 2023 was the first year we mapped a training route for each and every person in the organization. We found that in this way we could ensure that staff development was not only a key component for the organization's growth, but also for each worker's personal and professional development; and this was reported by 84 % of our organization.

Finally, this year we had the ambitious objective of improving on last year's level of satisfaction (87 %) a goal that was met: 90 % of the people who make up our organization reported a high level of satisfaction, and the same number would recommend that others work in our organization.

VICTORIES



SPAR

Spar

We beat the SPAR SLAPP!

SLAPP is the acronym for a Strategic Lawsuit Against Public Participation. SLAPPs are a type of lawsuit brought by a company or a public power with the aim of intimidating and wearing down critics so that they stop researching or informing about a given subject. This type of action is not intended to progress to trial, its main aim is to generate fear.

In 2020, the multinational SPAR took action against our organization and four of our members for slander, threats and coercion after the information campaign in which we asked them to make the cage-free commitment. After three years in the courts, both the judge and jury confirmed the case as inadmissible, and it was closed.

The following paragraphs are taken from the court records and represent a precedent for our movement:

“In no case can it be held that the facts in question constitute the criminal offence of coercion or threat. Not all pressure exercised by a given opinion group may be considered criminally relevant, much less if it is related with exercising the fundamental right to freedom of expression and within the context of a political debate such as the pursuit of a determined level of animal welfare on the farms that produce animals for human consumption.”

“In a society such as the current one it is right to launch campaigns designed to mobilise society in pursuit of a given objective. This type of conduct is admissible in a free society and one in which freedom of expression is duly protected.”

Pig investigation

Within the context of the European campaign in which Lidl was asked to join the European Chicken Commitment, in November 2023, AWO published images of a Spanish pig farm connected with the German supermarket chain. The farm, located in Burgos, is owned by the village mayor and has been regularly animal welfare certified by AENOR/IRTA for years. Among our findings were rotting carcasses, pigs with 7-kilo hernias, animals with so many wounds that they could not open an eye, and an illegal dump of bones and rotting pigs in the countryside. Furthermore, the mayor let a pig die out in the open, with no food or water for days, until it was eaten by a wake of vultures.

This news caused a scandal in Spain. Most media outlets in Spain carried the story. An article was published on the front page of El País newspaper, a first for AWO, and even the Spanish government had to issue statements on the occurrences at the farm.

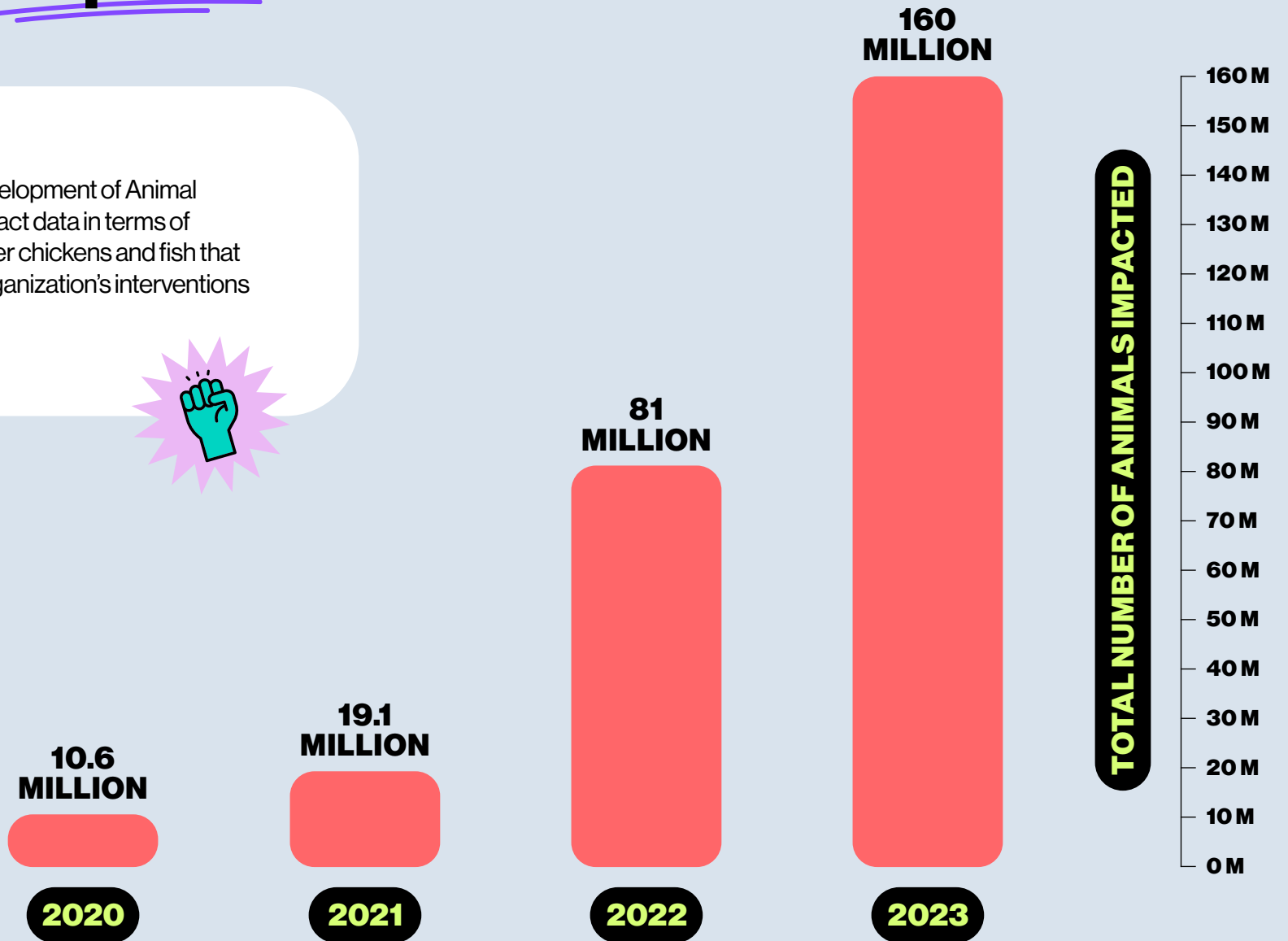


We are constantly reviewing our processes, systems, policies and campaign actions, taking advantage of existing evidence to focus on actions, processes, policies and interventions that are more effective or provide the best results.



Aggregate historical impact

This section shows the development of Animal Welfare Observatories impact data in terms of millions of laying hens, broiler chickens and fish that have benefited from our organization's interventions since 2020.



Finance and accounts for 2023

Our accounts for the 2023 accounting year follow, with three different sets of figures. The reason for this is that our main source of funding comes from effective altruistic philanthropic foundations. The subsidies of these organizations cover costs over a specific period of time that often does not coincide with the calendar year. So, the first figure shows the total amount of donations received during 2023, and the second shows the proportion of the donations corresponding to the tax year, since the majority will be devoted to spending in 2024.

TOTAL BALANCE

- Total donations 2023:
\$1,702,409.32
- Donations allocated to 2023:
\$1,478,615.83
- Expenses 2023:
\$1,343,540.03



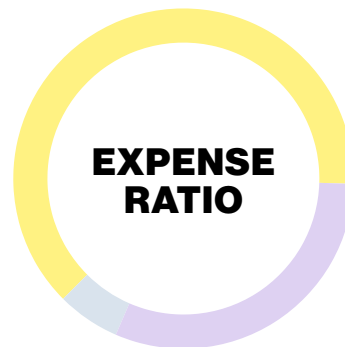
INCOME AND EXPENSES

INCOME RATIO



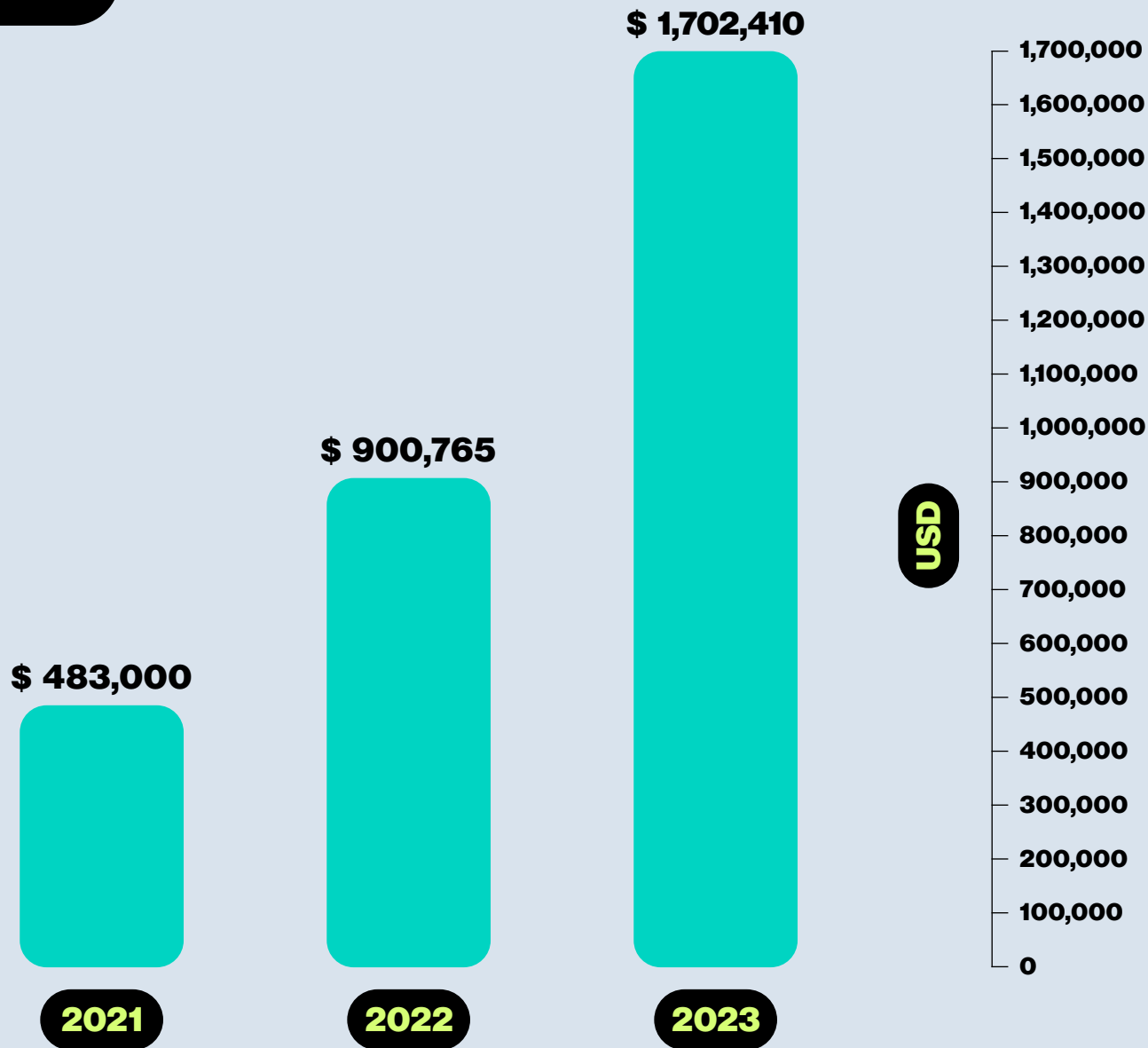
- Donations from private philanthropic: **97%**
- One-time donations: **2%**
- Entities members: **1%**

EXPENSE RATIO



- Campaigns: **63%**
- General and administration: **31%**
- Fundraising: **6%**

ANNUAL GROWTH



STRUCTURE

Governance

This year we created the first Animal Welfare Observatory Board of Directors. The board of directors is our highest organ of governance. It includes professionals who assess the organization's global performance, i.e., its legal and financial standing, legal compliance and human resources policies, the Director's performance, risk mitigation, ethical compliance of values and fundraising.



Daniel Castejón
President



Elizabeth Álvarez



Luis Aguado Alba

GENERAL INFORMATION

Observatorio de Bienestar Animal (Animal Welfare Observatory / AWO), CIF G88148028, is a non-profit association legally registered in the National Register of Associations: section 1a / National Number: 615639.

Foundation:
May 2018

Contact:
info@animalwelfareobservatory.org



APPENDIXES

Appendix 1

List of annual accounts (balance sheet)

OBSERVATORIO DE BIENESTAR ANIMAL
Listado de cuentas anuales (Balance de Situación)

Pág. 1

Ejercicio: 2023, Periodo: Apertura-Diciembre (Euros)

Activo		Pasivo	
A) ACTIVO NO CORRIENTE.	51.361,12	A) PATRIMONIO NETO	2.080.889,82
I. Inmovilizado intangible.	20.229,04	A-1) Fondos propios	2.080.889,82
III. Inmovilizado material	31.132,08	III. Excedentes de ejercicios anteriores.	1.690.195,51
B) ACTIVO CORRIENTE.	2.085.490,43	IV. Excedentes del ejercicio.	390.694,31
II. Existencias	2.542,00	B) PASIVO NO CORRIENTE	0,00
IV. Deudores comerciales y otras cuent	2.556,49	C) PASIVO CORRIENTE	55.961,73
VI. Inversiones financieras a corto plaz	34.505,08	VI. Acreedores comerciales y otras cue	55.961,73
VIII.Efectivo y otros activos líquidos equ	2.045.886,86	2. Otros acreedores	55.961,73
TOTAL ACTIVO (A+B)	2.136.851,55	TOTAL PATRIMONIO NETO Y PASIVO	2.136.851,55

Appendix 2

List of annual accounts (profit and loss)

OBSERVATORIO DE BIENESTAR ANIMAL
Listado de cuentas anuales (Pérdidas y Ganancias)

Pág. 1

Ejercicio: 2023, Periodo: Enero-Diciembre (Euros)

	(Debe) Haber
A) Excedente del ejercicio	390.694,31
1. Ingresos de la actividad propia	1.621.027,90
a) Cuotas de asociados y afiliados	10.539,33
c) Ingresos de promociones, patrocinadores y colaboraciones	8.146,92
d) Subvenciones, donaciones y legados imputados al excedente del ejercicio	1.602.341,65
3. Gastos por ayudas y otros	48.758,33
a) Ayudas monetarias	48.758,33
8. Gastos de personal	946.111,02
9. Otros gastos de la actividad	231.956,44
10. Amortización del inmovilizado	9.568,56
A.1) EXCEDENTE DE LA ACTIVIDAD (A.1+A.2+A.3+A.4+A.5+A.6+A.7+A.8+A.9+A.10+A.11+A.12+A.13+A.14)	384.633,55
15. Ingresos financieros	6.071,90
18. Diferencias de cambio	11,14
A.2) EXCEDENTE DE LAS OPERACIONES FINANCIERAS (A.15+A.16+A.17+A.18+19)	6.060,76
A.3) EXCEDENTE ANTES DE IMPUESTOS (A.1 +A.2)	390.694,31
A.4) Variación de patrimonio neto reconocida en el excedente del ejercicio (A.3+A.20)	390.694,31
I) RESULTADO TOTAL, VARIACIÓN DE PATRIMONIO NETO EN EL EJERCICIO(A.4+D+E+F+G+H)	390.694,31

