



United Nations  
Global Compact

Communication on Progress **2020 - 2021**



**Revolutionize Agriculture Industry**  
with Access to **Capital & Technology Innovation**



## UNITED NATIONS GLOBAL COMPACT, REAFFIRMATION

May 24th, 2022.

To our stakeholders,

I am pleased to confirm that CROWDE reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Yohanes", followed by the same orange circular icon seen in the CROWDE logo.

Yohanes Sugihtononugroho  
CEO and Co-Founder



## Company Background

CROWDE, founded in 2016, is an agriculture-focused fintech platform which provides one-stop solution to farmers: a financing ecosystem that puts capital to grow, create employment, and support local communities.

Beyond connecting to financing, CROWDE provides the farmers with steady input products, farming expertise, and access to market. Furthermore, CROWDE aggregates the much-needed agri data to support agribusiness decision making.

By providing access to financing, agri-monitoring, and end-to-end supply & market support, CROWDE envisions to be the biggest agriculture fintech platform in Indonesia, with the missions to improve financial inclusion, provide sustainable impact to farmers nationwide, and making farmers invest better in their businesses.



CROWDE provides lending platform to connect smallholder farmers to financing access, in which we develop a robust credit scoring engine based on their historical experiences in farming, current farm condition, and farmer's plan including budgeting for the upcoming project. This technology is closely being listed and monitored by OJK, Indonesia's financing service authority and Indonesia's fintech association.



CROWDE has point-of-sale embedded in agri supply shops in rural areas to help farmers getting their capital in input form such as fertilizers, seeds, and optional pesticides. This technology also help the small shops to digitized their transaction and inventory to be able to better manage their business.



CROWDE develops apps to be used by the team in acquiring farmers, and collect their data to provide better analysis regarding the feasibility of the project.



CROWDE collects agri-data in which we can have lenders appetite, product trends, farmer behaviours, and supply-demand data then use it to support better agri decision making in the future projects.

## Human Rights

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights
- Principle 2 Business should make sure they are not complicit in human rights abuses

CROWDE really protects its employees from human rights abuses and ensures that employees get their human rights. During pandemic, CROWDE was required to work from home by maximizing the use of technology and other media to continue to be able to coordinate all work and express complaints related to their duties, also everything that happened in our office that lead to abuses and injustice. CROWDE upholds the rights of employees by providing salaries according to standards and allowances, freedom of opinion, and obtaining security while working, both for themselves and their work documents.

On agricultural land, CROWDE provides salaries to agricultural workers, both male and female. CROWDE minimizes the salary gap between male and female workers so that in the future there is no gap in wages and salaries between the two of them are equal.

## Labour Standard

- Principle 3 Business should uphold the freedom of association and the effective recognition of the right to collective bargaining
- Principle 4 Business should uphold the elimination of all forms of forced and compulsory labor.
- Principle 5 Business should uphold the elimination of all forms of forced and compulsory labor.
- Principle 6 Business should uphold the elimination of discrimination in respect of employment and occupation.

CROWDE employs its employees regardless of gender. All job promotions are carried out based on employee performance so every employee has the same opportunity. CROWDE has established policies covering standard labor such as salaries, allowances, leave and permits, and matters relating to employee welfare.

in agribusiness, CROWDE applies a minimum price limit for a commodity to stabilize the price that should be received by farmers. CROWDE does not apply a forced labor system for labor in agriculture. Farmers and their workers have working hours as they normally do. CROWDE also does not impose restrictions on women farmers to propose projects and become CROWDE partners.

## Environment

- Principle 7 Business should support a precautionary approach to environmental responsibility.
- Principle 8 Business should undertake initiatives to promote greater environmental responsibility.
- Principle 9 Business should encourage the development and diffusion of environmentally friendly technologies.

The availability of gallons, cutlery, and the obligation to bring your own drinking bottles are CROWDE's efforts to contribute to reducing plastic waste. CROWDE has also implemented digitization in almost all documents to minimize paper usage. The use of technologies greatly impacts work efficiency and effectiveness without wasting paper.

On agricultural land, CROWDE has SOPs for cultivation according to the type of commodity to achieve maximum productivity. SOPs also function to control pesticides and chemical elements that are used so that they are not excessive and are able to reduce the intensity previously used by farmers. Currently, CROWDE is carrying out Impact Research with the topic Climate Resilience in Agriculture to ensure that farmers are willing and able to transform into sustainable agriculture. In addition, CROWDE also uses the Internet of Things (IoT) to control water levels in the soil and seeks to carry out risk mitigation to be able to apply weather-based insurance.

## Anti-Corruption

Principle 10 Business should work against corruption in all its forms, including extortion and bribery.

Transaction and cash flow activities need to include invoices or supporting documents as evidence of each transaction. Every transaction and cash flow activity, CROWDE is supervised by the Financial Services Authority (OJK) and AFPI. CROWDE also emphasized the rule that if an employee commits corruption, he will be immediately fired.

Anti-Corruption is also enforced on agricultural land through a document that cannot be less. This anti-corruption effort was also carried out by CROWDE by channeling capital to farmers by means of a cashless mechanism in the form of agricultural inputs so that farmers could not misuse the capital they had obtained. Each project is also audited by authorized parties.



## Measurement of Outcomes



So far, 100% of employees and partners get their human rights. There have been no reports related to violence and injustice from employees. In terms of income, CROWDE helps increase farmer's productivity up to 40%, and 96.6% of farmers stated that CROWDE is more farmer friendly compared to other access to capital they have chosen. Access to capital is a human right that must be upheld, because all human beings have the right to be financially independent.

Women have been empowered in office jobs with 30.59% of the employees being women and 69.72% men in the end of 2021 with 30% of the leaders are women. 100% of employees are paid a salary including paid interns. While in agriculture, 72.6% of borrowers are young to middle-aged farmers.





## Measurement of Outcomes



Since 2020, all office exchanges are done digitally to reduce paper usage. Regarding the project/loan application, CROWDE will provide loans to projects that pass a predetermined minimum score. Project analysis is based on budget plans and real conditions in the field, such as agricultural land conditions, irrigation access, surrounding land conditions, and access to agricultural land. These data are collected using self-developed apps, which no longer require paper-based administrative requirements.

100% of transaction activities have followed the established regulations from OJK and AFPI. Meanwhile, in agriculture, 100% of farmers who have submitted projects have complete documents. 9 out of 10 farmers use the cashless system because it is safer and more effective for farming. 99.3% of farmers are able to minimize financial risk and able to overcome problems and fulfill agri needs, since the disbursement has been scheduled, always monitored, and evaluated.



1 NO  
POVERTY



Increasing farmers' **income** up to **150%**, with buying price up to **25% higher than market price**.

2 ZERO  
HUNGER



Increasing farmers' **productivity** up to **40%** which contributes to the distribution of around 14 million kg of raw food.

5 GENDER  
EQUALITY



Through **equal opportunities** for **smallholder farmers**, CROWDE develops Risk-Acceptance-Criteria which does not mention men or women.

8 DECENT WORK AND  
ECONOMIC GROWTH



CROWDE created more than **100,000 jobs** under the projects in end-to-end agriculture value chain. More than **37,000 farmers** are already involved in our ecosystem by the end of 2021.

A woman is shown from the chest up, smiling, with a large, dark, woven basket balanced on her head. She is wearing a light-colored shirt with a floral pattern. The background is a lush green field with many small plants. The entire image has a semi-transparent green overlay.

It's a long journey  
**worth the struggle**  
for Indonesia

[www.CROWDE.co](http://www.CROWDE.co)