Impact and Sustainability Report 2023



owdFarming



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Here's the vocabulary you need to know before entering the CrowdFarming universe:

CrowdFarmer

Replaces the word "consumer". In the CrowdFarming supply chain, the CrowdFarmer is the person for whom our farmers develop their activity and produce their crops, with a guarantee of a fair price. In this new chain, a direct link is created between the one who produces and the one who receives the food. This link can be translated into a mutual commitment: the farmer produces knowing that someone waits for his harvest, and the CrowdFarmer enjoys the product, knowing where it comes from and by whom and how it was produced.

Adoption

An adoption creates a direct link between producers and consumers. When a customer adopts a tree, animal, or patch of land, they receive the produce of their adoption directly at home when the harvest season comes. In the meantime, they get updates about how their food is produced and who is behind it. Each adoption comes with a specific number of deliveries throughout the season.

CrowdLog

A company created by CrowdFarming to provide transport and picking services to European farmers. Our first logistics hub, "CrowdLog-Museros", was created in Valencia (Spain) and now, through CrowdLog, we also collaborate with farmers that can provide these services to other farmers in their area. CrowdLog's goal is to improve the CrowdFarmer experience without increasing logistic pressure on the farmer, who can therefore expand the sales volume independently of the number of orders they have the capacity to prepare.

CrowdGiving

Initiative created by CrowdFarming for users to be able to donate fresh and organic food directly from farmers to European Food Banks.

All is Good

All is Good is a CrowdFarming project born to take advantage of the fruit and vegetables that cannot travel to CrowdFarmer's homes not because of their shape or size but because they are too ripe to travel. Thanks to All Is Good, we are one step closer to ending food waste by turning fresh fruit and vegetables that cannot travel into delicious products such as jams, juices or dried fruit.

Organic

Refers to agricultural products that have been produced and processed in accordance with the organic farming regulations established by the European Union (EU), or the farmers who produce them.

Conversion to Organic

We refer to "farmers in conversion to organic" as farmers who have already started the process of becoming certified Organic by the European Union. The practices are already audited by an official body, as shown in the document that every farmer shares as proof in CrowdFarming's platform.

CrowdSender

Service created by CrowdFarming for e-commerces to manage and automate shipments from a single platform.

Regenerative agriculture

Regenerative agriculture combines a series of practices with the goal of improving soil health, increasing biodiversity, sequestering water and carbon and increasing nutrient density. Although there are some frequent practices to achieve these results such as cover crops, minimal tillage or livestock integration, regenerative agriculture is context-specific and results-oriented: Meaning that the most important thing is to prove that the actions taken on the farm are having a positive impact on soil, crops, and the environment.

Ton

1 ton equals 1,000 kg







A letter from a farmer and CrowdFarming's co-founder





In 2023, I experienced fear for the first time since we founded CrowdFarming. In April, our orange and avocado farmers were left without a harvest much earlier than we had estimated. It wasn't an isolated case on a single farm; it was a widespread issue across all farms in Southern Europe, including my own orange orchard in Valencia. The effects of the drought had been much greater than we had anticipated.

Our farmers suffered, and so did we. As a young and growing company, we had prepared for a 40% increase in shipments that never materialised due to the absence of a harvest. This shortage went unnoticed in supermarkets (our competitors) as they sourced oranges and avocados from different continents. However, we, who only work with fresh produce grown in Europe, ran out of product. We went through a tough period and had to focus on securing financing to avoid making significant cuts that would have forced us to halt key projects for the future.

When taking about projects like CrowdFarming, encountering challenging times is expected, but my apprehension went beyond financial concerns. It was more of a personal than a business-related fear. What if, due to the drought, our farms were no longer suitable for cultivating what we had planted?

The ideal climate for citrus cultivation requires areas with an average rainfall of around 500 millilitres per year and maximum temperatures that do not exceed 38°C. During the year 2023, the average rainfall in Valencia was 340 millimetres (33% lower than the average of the last 30 years) and temperatures above 40°C were reached on several days, causing heat stress to the orange trees. The heat stress causes (among other things) the orange trees to drop the fruit to the ground because they no longer have the energy to maintain them. It is curious how some plants in stressful situations sacrifice their fruit when they feel their life is in danger (orange or olive trees) and others may even die trying to save their crop (such as almond trees).

I believe that fear is natural and that the key is not to let it invade and override you. I also believe that living through these situations makes us react and that it is no coincidence that in these adverse weather situations, we are seeing a boom in farmers embracing the principles of regenerative agriculture as a way of counteracting the effects of low yields due to climatic causes. One of the big things you admit as a farmer introducing regenerative farming practices is that nature rules. Farming is not about transforming the natural ecosystem of your farm with chemicals, but about ensuring that the resources you take from the ecosystem to grow food are naturally regenerated with each crop cycle: water, carbon, flora, and fauna.

Gonzalo Úrculo, Farmer & Co-Founder of CrowdFarming

onsalo



02 The harvest of 2023











A growing community of farmers...

283 **Farmers**

selling our crops without intermediaries from 17 different countries: Germany, Austria, Bulgaria, Colombia, Croatia, Spain, the Philippines, France, Georgia, Grenada, Greece, Hungary, Italy, Portugal, the Czech Republic, Romania, and Turkey



+90% farmers have

of our existing renewed their contracts

...and a growing community of CrowdFarmers.

343,656 **CrowdFarmers**

made a direct purchase from a farmer through CrowdFarming in 2023

216,088 active adoptions

strengthening the commitment between farmers and CrowdFarmers



amazing guests in our "What The Field" podcast, representing diverse organisations and movements



In July, we launched a subscription to a mixed seasonal organic fruit box with products from various farmers, which is proving to be a success with

13,600 subscribers

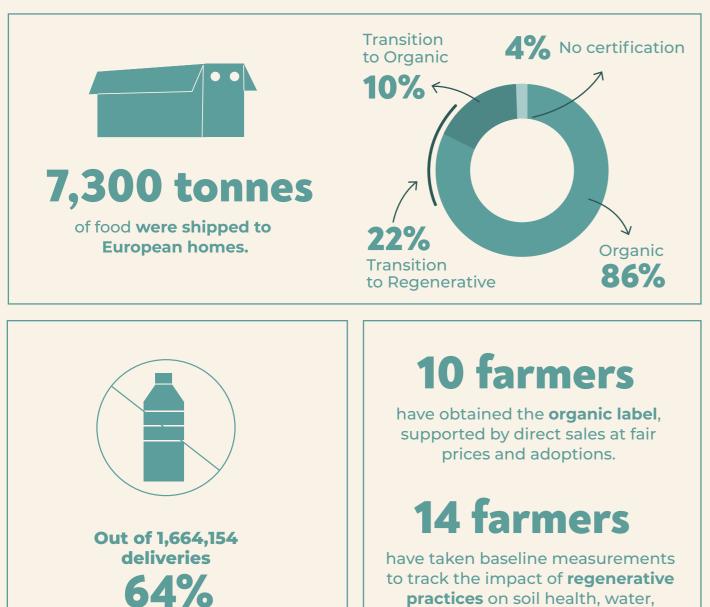
by the end of 2023

Total sales through the platform accounted for over

50,5

representing 12% growth compared to last year, and increasing our net revenue by over 20% from last year

An ongoing journey towards a more sustainable food supply chain...



were done with plastic-free packaging. Out of the ones with plastic packaging, 12% were BPA-free. to track the impact of **regenerative practices** on soil health, water, and biodiversity, in order to get a deeper knowledge of the impact of regeneration and to convince other European farmers to shift to regenerative agriculture.

Our community is supporting the transition of **3,899** ha in Europe towards more sustainable agriculture be it transitioning to organic and/or regenerative farming. CLick here! We have launched the "All Is Good" brand, with delicious products being developed from food that would

otherwise have been wasted. This has allowed us

to save 52,514 kg of food from the bin.





are already applying regenerative farming techniques.

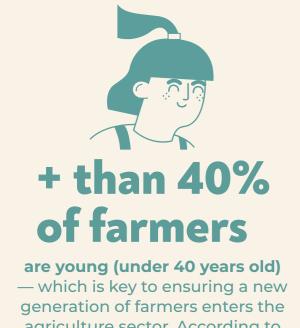


Our scope 1 and 2 emissions decreased from 132.28 tonnes in 2022 to

28.81 tonnes

mainly due to the switch of our logistic centre to renewable energies. This means that, for every ton of food shipped, 3.94 kg of CO2 were produced.

... and towards a fairer food supply chain.



agriculture sector. According to Eurostat. the share of farmers under 40 years of age is 21% for organic farms and 10.5 % for nonorganic farms.



France, Poland, and Spain.

According to our annual farmers' survey:

A third of our producers

state that thanks to CrowdFarming they have been able to **increase the number** of permanent workers on their farm and offer better working conditions. This includes promoting professional development, access to training and the implementation of health and safety measures.



98% of farmers

see great value in adoptions, as it aids in their harvest planning and enhances economic stability. Another compelling aspect for farmers is the direct relationship they have established with consumers.

More than 70%

support their communities by collaborating with local suppliers, participating in local events, and promoting job placements in their regions. Additionally, 36% lead various educational initiatives in their communities.



of our farmers have seen their annual income increase thanks to CrowdFarming. 12% of participants have seen an increase of up to 50%, and in some cases, even up to 100%. Approximately 30% of the producers say that their income is more stable with CrowdFarming, and for 60% this stability is similar.









We believe that having a third party define a set of standards helps build trust at a larger scale. This applies to our farmers — who work hard to get certified as organic — and to our own actions too. This is why we decided to go through the process to become certified as a BCorp. In April 2023, we became a part of B Lab Europe's network by obtaining the <u>B Corp certification, with a score of</u> 106.6!





106.6
Overall CrowdFarming Score

Workers —	30.6
Environment	23.5
Governance ———	20.2
Customers ———	16.6
Community ———	15.5



106.6 points... Is that good?

→ 50.9 Average score for Ordinary Businesses (most businesses score between 40 and 100)

→ a minimum of 80 points is needed to qualify for B Corp Certification

→ The maximum score is 200 (which no company has yet been able to reach)

But we should not get complacent. We have passed the first test, and we share BCorp's vision of this journey being one that starts - instead of ending - with the certification. We take this process as an opportunity to learn and discover new projects to look up to.

Also... Why not? We came to the conclusion that we had more to win by doing a self-critical exercise than by criticising a movement that might have its flaws but is for sure encouraging a very necessary conversation. Now, we are reviewing the areas where we believe there is (meaningful) room for improvement, and taking it as a guide to becoming better versions of an impactdriven company.

→ To know more, check out our What The Field!? Podcast episode where we discussed these and other topics with Maria Correa – Head of Communications and Community Engagement at B Lab Europe.







resources we depend on





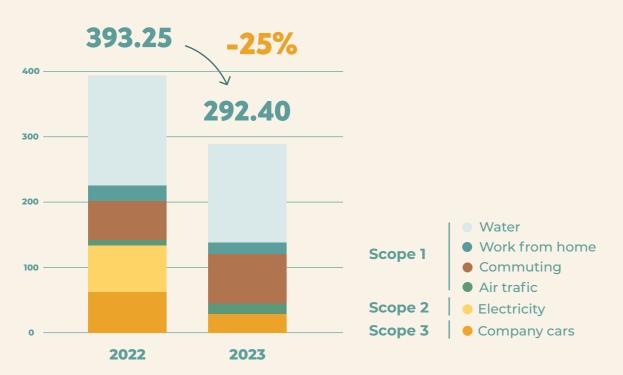
For CrowdFarming to operate, we depend on various resources electricity to power our offices, transportation for our teams, water at our logistic centre, or packaging materials, to name a few. All these contribute to what we call our "footprint." Essentially, it's a measure of the impact our activities have on the environment. **Our yearly goal is to minimise this impact.** We are constantly working to improve our tracking methods, regularly incorporating new factors into what we measure, ensuring that we continue to reduce our environmental footprint.

Carbon footprint evolution

As CrowdFarming grew in 2022 the total carbon footprint increased accordingly. In 2023, we have not only stabilised our carbon footprint, preventing it from growing as we grow as a business, but we have also managed to reduce it.

In 2023, the combined Scope 1, 2 and part of Scope 3 emissions from CrowdFarming and our CrowdLog-Museros logistics centre accounted for a total of **292.40 tonnes** of CO2. We have achieved a significant reduction in our carbon footprint, **reducing it by 25%** compared to the previous year, which ended with 393 tonnes of CO2 (equivalent to the annual footprint of approximately 70 people lliving in Europe) To put this in perspective, this would equate to 0.17 kg of CO2 for every box we shipped in 2023.

CF&CL: CO₂ emissions over times (tonnes)



*The carbon footprint shown here includes full Scope 1 (direct emissions), and full Scope 2 and partial Scope 3 (indirect emissions). The carbon footprint derived from the transport of shipments is not included.



Scope 1: Emissions

Our team's cars: 28.81 tons of CO2

Scope 1 emissions are the gases that come directly from things a company owns or controls, like using its own vehicles. In CrowdFarming's case, it mainly includes the car journeys made by our agronomists to visit farmers.

In the coming year, we're working on protocols to guide all CrowdFarming employees towards more conscious decision-making, such as selecting transportation methods or deciding if a face-to-face meeting is truly necessary when online options are available. Despite this, we value the importance of in-person connections and will continue we are moving towards generating our to encourage our agronomists to support farmers on-site, serving as our eyes and ears in the fields.

If travel is essential, we seek to make it as efficient as possible: grouping meetings and visits to farmers to maximise each journey and opting for trains rather than cars (and, of course, planes) wherever possible.



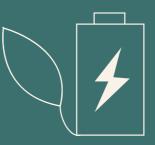
Scope 2: Electricity

The electricity we use: 0 tons o ĆO2

Scope 2 emissions are the indirect greenhouse gases produced from the electricity, heating, or cooling that a company purchases.

How come our Scope 2 emissions this year have been zero? The answer is simple: all the electricity used in both CrowdFarming and CrowdLog-Museros in 2023 was green, certified with guarantees of origin that ensure it came from clean, renewable sources.

Although we use renewable energy in both our offices and our logistics centre, own electricity in CrowdLog-Museros by installing solar panels in 2024.



Scope 3: **Indirect emissions**

Indirect emissions (partial): 263.60 tons of CO2

Scope 3 emissions represent additional indirect emissions arising from all of CrowdFarming's activities, including its supply chain, business travel, and waste. In our case, we are only taking into account water used in supply chain logistics processes, commuting, flights and the energy used by our employees when working from home.

One source of Scope 3 emissions stands out above the rest: **water**. But this is not just the water consumed in our CrowdFarming offices we're not that thirsty! It's mainly the water used in various processes at CrowdLog-Museros, like keeping our cooling chambers and air systems running smoothly. This water is used to keep produce at the right temperature during the hours it spends in the logistic centre before being shipped. Because it isn't polluted, it is reused to water the nearby fields.

For this coming year, we are considering the implementation of a cooling tower, yet to be confirmed, to minimise water usage. Such strategies have a double benefit: they reduce pollution and, in the long term, result in significant financial savings.

The second-largest source of our emissions is our employees' commuting. Even so, we are proud to say that at CrowdFarming, more than 70% of us commute by public transport, cycling or walking. Some opt for motorbikes, electric cars, or a combination of both, but only around 9% commute by combustion car.

Other relevant sources of our Scope 3 carbon footprint include the footprint of our working from home policy, and the planes we use for conferences and conventions or gathering the team when we cannot make it by train.





On the road to more sustainable logistics

It is essential to recognise and appreciate the collective efforts made by our logistic partners to reduce CO2 emissions from road transport (Scope 3).

Trucksters

Trucksters, one of our long haul providers (the big trucks making long-distance journeys), have long been redefining efficiency in road transport by planning routes with relays that speed up transit time and reduce CO2 consumption. This strategy not only decreases the amount of time the truck needs to stay cool by approximately 40% but also raises the possibility of further streamlining processes by allowing night unloading.

DHL is also a key partner in our logistics. During 2023, we delivered 82.7% of our last mile deliveries with DHL — 1.346.096 boxes —, representing a carbon footprint of approximately 300 tons according to their reporting, all of which was offset through their DHL GoGreen service.



Together, we have completed 157 out of 169 shipments with the relay system for our route from our Logistics hub in Valencia to Speyer in Germany. In the future, they plan to cover up to 21% of their routes with electric trucks, thus achieving a monthly reduction of 4.8 tonnes of CO2 emissions.

DHL

Next year, we will be moving forward with their GoGreen Plus service, designed to avoid carbon emissions in the first place (rather than offsetting them later). This works through additional carbon reduction measures within their own network, such as investments in biogaspowered trucks.

Optimising the use of packaging

Last year, we detected a key area of improvement in the Life Cycle Analysis we did for oranges: **packaging.**

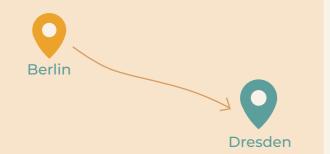
It represented 13% of total emissions, coming third after transport and agriculture. We have focused on eliminating unnecessary materials from our packaging and transitioning towards materials with lower environmental impact.

Since February 2023, we have been using new box formats with flaps, which means that approximately 85% of the boxes leaving CrowdLog-Museros have been closed with flaps and glue, avoiding the use of gummed paper.

230,000

metres of sealing tape saved

= The distance from Berlin to Dresden.



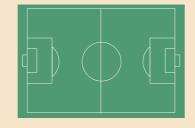


Also, since the end of last year, we have been moving towards sending our farmer letters via email instead of printed in each box.



printed letters avoided at CrowdLog-Museros

= The area of a football pitch.



Another important improvement has been the introduction of two additional box formats to adjust to the exact volume we are shipping.

This has allowed us to reduce the amount of filler paper required to protect the fruit and optimise transport at the same time, as we can now load more boxes per pallet.







On top of reducing the use of our more popular materials: Paper and cardboard, we keep trying to move towards more sustainable solutions in the selection of materials. 64% of our deliveries from 2023 were plastic-free, and 12% of the ones shipped with plastic were BPAfree. Together with olive farmers, we are also making our first trials with bag&box format, given its advantages for travelling and storage efficiency as well as for product conservation.



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Encouraging the transformation from the farm



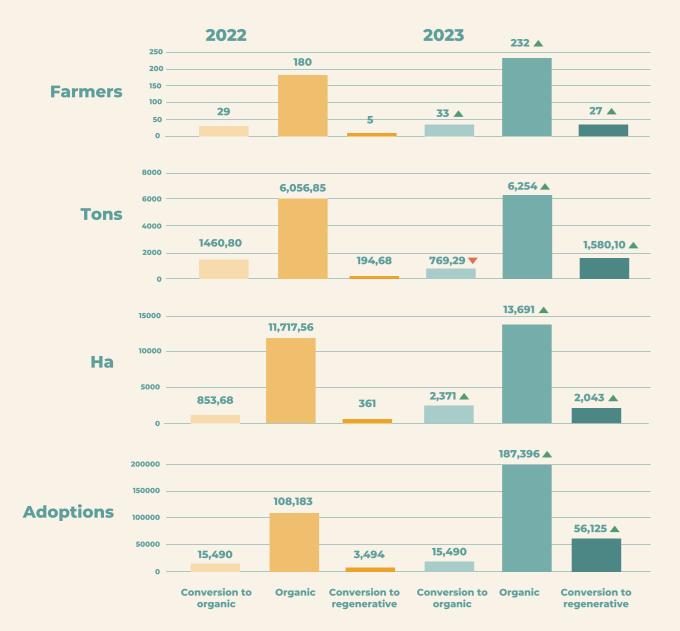


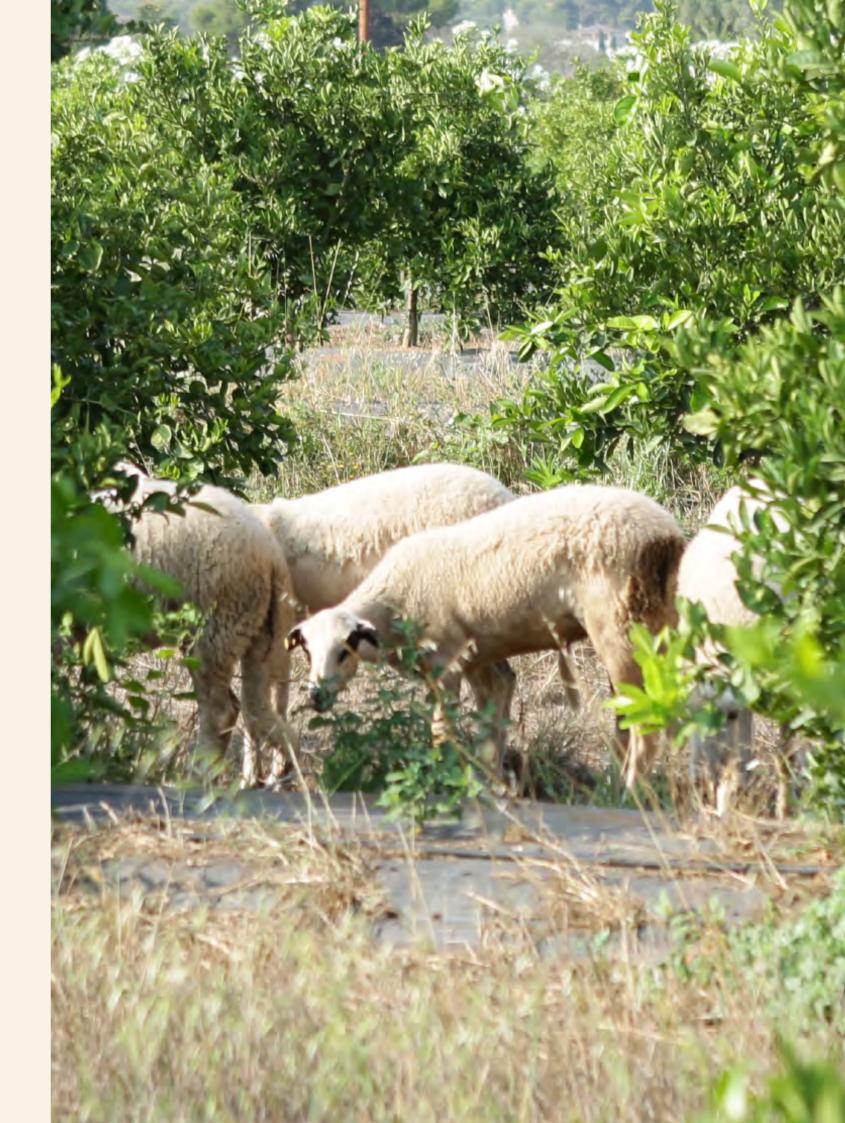


At CrowdFarming, we want to have an active role in supporting the transition towards organic and regenerative agriculture. There is just no other way if we want to support agriculture — we need more farmers who take care of our soil, our water management, and carbon sequestration — that help make the situation better while making a decent living out of it. We need to stop blaming farmers and start providing them with the tools and incentives to get — and stay — on board for the long term. Within and worldwide, namely regenerative our platform, you can mainly find organic agriculture. farmers: 232 out of our 283 farms at CrowdFarming are organic.

However, ever since we started, one of our main goals was also to integrate farmers converting to organic (or to convince them to convert) and give them the resources they need to complete the transition successfully. As farmers, we know how difficult this process can be. We stand firm in our position in supporting the conversion to organic farming. But we also want to be part of a movement that is becoming more and more relevant in Europe

The progression of our farmers





The path of conversion to organic

Il Bottaccio (Italy), completed their conversion to organic

The story begins with Ermelindo in 1925, our farmer Luca's grandfather. The farm has been in Luca's family for 4 generations and he wanted to modernise the organisation and production structure of the company, being more mindful of their impact on the environment, as well as always keeping an eye on the past and the purity of the flavours, so that the oil can survive and continue to satisfy the palate of future generations. We are happy to share that the farm is now certified organic!

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This certificate does not change anything in our way of growing olives, which has always been environmentally friendly, but it gives us the recognition that we have successfully completed our conversion period, which makes us very proud. We have grown a lot in recent years thanks to you. We have planted new olive trees, improved our packaging service and have been lucky enough to hire new staff eager to learn.

Luca, olive farmer at Il Bottaccio, Italy

conversion a · · ·







Château de La Grave (France), completed their conversion to organic

Our farmer Lou Bassereau is a young winegrower. He grew up in the middle of the vineyards, at the heart of the farm's daily work. Here, family and farm life come together as one! One of his fondest memories as a child is being allowed to join the adults in tasting the grape juice at the very beginning of fermentation when it starts to sparkle, and there is no alcohol yet. He joined the family business in 2018 and decided to start the transition to organic in 2020. Now, 3 years later, they have received their organic certification!

When I decided to join my parents on the family estate in 2018, we were already very committed to processes that were particularly respectful of the environment and nature. But I wanted to go further and assert my personal convictions. The decision to switch the entire estate, i.e. 45 hectares of vines, to organic farming took 2 years of reflection and implementation. It's not something you can improvise, especially in the Bordeaux region where growing conditions are among the most difficult for organic winegrowers. And it was in 2020 that we actually started the 3 years of conversion, 3 years each with its own ups and downs, 3 years that in the end went by very quickly... I'm happy and proud today to have made a long-held dream come true. Today, the challenge is just beginning for me!

Lou, winegrower at Château de la Grave, France



Renegade Tea (Georgia), completed their conversion to organic

After 3 years, Hannes from Renegade Tea Estate in Georgia has now achieved the official organic certification for his tea bushes. He wants to thank all CrowdFarmers and says that without their support, this wouldn't have been possible. By giving him the chance to sell his product at a fair price, he was granted the stability and security he needed to go through the conversion process.

66

Our organic certification process was probably somewhat different from most farms. When we started to rehabilitate our abandoned tea plantations in 2017, they had already been free from chemicals and fertilisers for more than 20 years, and we already fully followed organic farming principles. We are happy that it is now done, and this certificate confirms what we have been standing for since Day 1 of Renegade Tea Estate! Better late than never!

Hannes, tea farmer at Renegade Tea, Georgia











Puranda farm (Turkey), started their conversion to organic

When Andreas moved from Austria to Turkey with his wife Sezen he had no experience in cultivating olive trees. But overwhelmed by the excellent taste of the olive oil some members of his wife's family still produced on a small scale, he wanted to revive a family tradition together with his father-in-law Alaeddin, an agricultural engineer.

Together they started to revive old plots of olive land — orchards that had last been cultivated many decades ago. The orchards were overgrown, a dormant paradise waiting to be rediscovered. They spent months cutting down trees (after obtaining the necessary licenses, of course!), pruning and planting new seedlings. After years of hard work, the once productive land that had lain dormant for so many years was finally revived and ready to flourish again.

Right from the start, they wanted to avoid using pesticides and try to minimise their impact on the ecosystem as much as possible. They are aiming at receiving the organic certification and are now in their transition period.

We wanted to join CrowdFarming because we believe that food tastes better when we all know exactly where the ingredients come from.

Andreas, olive farmer at Puranda farm, Turkey



Transition to regenerative farming

Organic farming is, in its essence, very close to regenerative agriculture, in the sense that they both aim to improve the health of soil and biodiversity. If we refer to the EU Council Regulation of June 2007 on organic production and labeling of organic products (Regulation (EC) No 834/2007), we find objectives very similar to those described today for regenerative agriculture:

'To ensure a viable system of farm management that respects natural systems and cycles and preserves and improves the health of the soil, water, plants, and animals and the balance between them, and contributes to achieving a high degree of biodiversity, in addition to high-quality products.'

However, as the organic certification was created at a European level, the regulations had to be adapted to a wide variety of contexts. Organic certification is based on a list of permitted and prohibited techniques, which undoubtedly play a fundamental role in protecting the environment from the more damaging techniques of the conventional system. However, even if we believe organic farming is undoubtedly less harmful to the environment and to workers than other forms of agriculture using synthetic chemicals, as the results are not monitored, a certified organic farmer may, or may not, be regenerating his ecosystem.







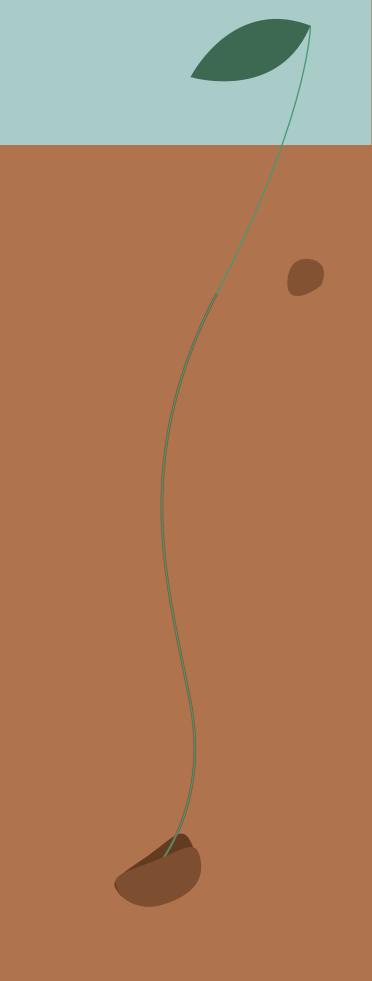


Is there a certification for regenerative agriculture?

There is no unified definition of regenerative agriculture. Nor is there a certification at a European level. Which means, there are thousands of them. Today, anyone can claim to be regenerative, and this leaves the door wide open to cunning and slippery greenwashing techniques. It's a danger to those who are doing it right, and it's a danger to consumer trust.

At CrowdFarming we believe that a new certification that only audits practices is not the way to go. After the titanic effort that has been made to push organic farming, which today accounts for only 10.4% of the land dedicated to agriculture in the European Union, it would be a drama to create two certifications, which in their essence seek the same thing, to compete between each other.

We believe in a regenerative agriculture that compliments organic certification, one that is contextual and outcomebased (based on results). Therefore, the only way to call a farmer "regenerative" is to prove that they are regenerating the soil, the biodiversity, and the environment in which they operate by monitoring results year after year.



Walking the talk: Our first regenerative agriculture pilot in Spain

At the beginning of 2023, we decided that, on top of going out there to look for regenerative-organic farmers to offer them CrowdFarming as a solution to market their products, we needed to take an active role in starting organic farmers in regenerative agriculture. For this, we partnered with Climate Farmers, and we co-designed a programme divided into three main stages: introductory events, technical support and results monitoring. We chose Climate Farmers as our partners in this journey because of our aligned vision of transforming the agrifood system at scale and with farmers at its core.

They are doing an amazing job by building communities of farmers, providing them with training and technical support together with the best local experts, and looking for tools — such as carbon credits — for farmers to finance the transition. They also have a significant role in the definition of regenerative agriculture at a European level and the definition of policies to encourage its implementation.

Farmer events: Regenerative agriculture is a change in mentality

We started by gathering farmers together during the summer, in Spain (Valencia & Malaga) to plant the seed of changing the way we approach agriculture from a plant-product vision to a much more holistic approach with soil as the main character and for farmers to share with each other their challenges and how regenerating can contribute to their farm's business and ecosystem.

During the workshops, we discussed some key elements of regenerative agriculture — soil health, plant health, water management, profitability, nutrition, and livestock integration.









Technical support: Regenerative agriculture is context-specific

After the workshop, farmers were presented with a training programme in two different formats, group sessions or individual technical advice. A total of 14 farmers across Spain — mainly citrus, tropical, nuts and olive farmers — joined the programme that kicked off this past October with thorough baseline measurements to understand the context each farmer is working with.

They were divided into two groups with similar conditions so that they could learn from one another since regenerative agriculture is highly contextual and depends on the crops and region the farmer is dealing with. This technical support is guided by a group of regenerative experts who have been working with farmers for years to learn to read what is happening above and below the ground.



MRV (Measurement, reporting, and verification): Regenerative agriculture is based on outcomes

This upcoming year, we are taking a clear position in regards to regenerative agriculture. We will exclusively use the term "regenerative agriculture" for farmers who can demonstrate tangible results of regeneration.

During 2024, we will ensure all farmers in the process of regeneration start measuring the impact on soil, water and biodiversity, protecting the term from potential greenwashing across the industry.

By fall of 2024, we will have the regeneration results of this first cohort of farmers in transition to regenerative agriculture, after one year of the programme. The idea is to take the learnings of this pilot in Spain and replicate them with our farmers in Italy, France, and Germany across 2024.





Paco Marin: From conversion to organic, and now regenerating!

This year Paco Marin, one of our committed farmers from the Málaga region, received his organic certification. He joined CrowdFarming in 2020 and was initially hesitant to embrace organic practices due to financial concerns. However, his experience with direct sales allowed him to achieve the financial stability needed to start his transition. Today, the fruits of Paco's labour are evident not only on his own farms but throughout his entire family's agricultural endeavours. What started as a personal commitment has grown into a family-wide dedication to organic farming, showcasing the success of his venture. Paco, however, didn't stop there. Beyond the realm of organic farming, he has set his sights on regenerative agriculture. The transition has not only brought about positive changes in the way he tends to his fields but has also positioned him as an example farm in the area. His neighbours, witnessing the transformation, now see the potential for a different approach to agriculture. Paco Marin's story is one of evolution and inspiration, demonstrating that a single farm's commitment can create a ripple effect, influencing an entire community.







On the path to ending food waste



Addressing food waste stands as a crucial challenge for the agri-food industry. With 20% of all food produced in Europe being wasted, tackling this issue alone could significantly diminish the negative impact associated with producing and transporting all this food destined to go to waste.

We are pleased to see, through our annual farmers' survey, that a third of respondents indicate an improvement in their understanding of responsible waste management and the selection of sustainable packaging, thanks to CrowdFarming. CrowdLog is also key in tracking and reducing food waste. During the months of November and December, when the current citrus fruit season started, almost 1,500 tons of citrus fruit, primarily oranges and clementines, were processed at CrowdLog-Museros. Out of that, approximately 3% could not be shipped due to the fruit being overripe, but we were able to redirect almost all of it to other industries (e.g., juice production). Only 0.37% of the processed food couldn't be saved and ended up being wasted.

This is a huge improvement considering the data provided by FAO's Food Loss Index (FLI), which estimates that globally, around 14% of all food produced is wasted from the postharvest stage up to the retail stage (food wasted in the retail stage is not included).

25% of all survey participants

say they've learned to be more flexible when it comes to the appearance or size requirements of their products, contributing to reducing food waste.

Adoptions

are seen by farmers as a useful way to reduce food waste, and around 60% of our citrus and tropical farmers — two of our main product categories — have reduced food waste on their farms since working with us.



"All Is Good", the newest member of the CrowdFarming family

At CrowdFarming we love to develop new ways to save our products from being wasted and to raise awareness of the challenges we face in regards to tackling food waste. By the end of 2022, we had already done a few trials with mango chutney, and during 2023 we added two new products to our catalogue: avocado hummus and pomegranate juice. While we explored new recipes, we also asked some of our CrowdFarmers to help us choose the name for a new brand that we are creating to end food waste together. Amongst 4,000 participants, 60% picked the name "All Is Good"! Seems like we are an aligned crowd.

Watch out for the upcoming **"All Is Good"** products!





During 2023 we have saved:

19,747 kg

hummus

26,165 kg of pomegranate turned

6,602 kg of mango turned into chutney

- O Dehydrated mango chips
- Orange juice
- 🗘 Citrus marmalade
- 🖞 Avocado oil











07





Growing and strengthening our community

We're fortunate to have an incredible community of

343,656 active CrowdFarmers

— individuals who order their food through CrowdFarming, with 216,088 live adoptions.

They not only share valuable, constructive feedback but also offer uplifting messages that serve as a driving force for both us and our farmers. Both types of input are equally crucial, helping us navigate challenges and stay relevant in our mission to create the most sustainable and fair food supply chain.



What CrowdFarmers are saying:



"CrowdFarming's farmers are on the front line in fighting climate change (small, sustainable farms) — and are amongst the first to feel its effects (unpredictable weather). That is a very solid reason to buy from them besides the extremely high quality of their produce!"

"Reading about your progress and individual farmers' stories gives me hope in humanity and makes me believe that a better future is possible indeed. Regenerating, respecting and healing the Earth is paramount, and supporting those who tend to Her is vital. Again, thank you so much for all you do"

"Very disappointed with the processing of my last order. The parcel was never delivered and I made an immediate complaint. After 15 days, the only response I received was to ask for a certificate, confirming once again that I had not received the parcel. Given the processing time, I will no longer be able to receive the products I ordered, which are no longer available for sale."

(We are working on it! 🚧)



Nailing the delivery experience

One of our main goals for 2023 was **improving the CrowdFarmer experience to** make sure they came back to buy their food directly from farmers. We acknowledge that if we want to scale CrowdFarming, the ordering and delivery experience has to be a good one.

Total CrowdFarmers:

343,656

This means almost 350 thousand European homes (12% more than last year) received a box from a farmer in 2023, adding 1,664,154 deliveries during the year.

Our NPS (Net Promoter Score) went from 65.98 points in 2022 to

by the end of 2023.

The average time from Farm to Table for In Trustpilot, we achieved a score of all Farmers and CrowdFarmers across Europe has been reduced to

5.1 days

We excel in routes such as Spain to Germany, which takes 4.6 days on average.

Although more than 95% of our boxes are delivered without any incidences, nobody's perfect, and we still had

3.42%

of total deliveries with tickets related to a variety of issues (payment, delivery, with tickets related more specifically to product damage.

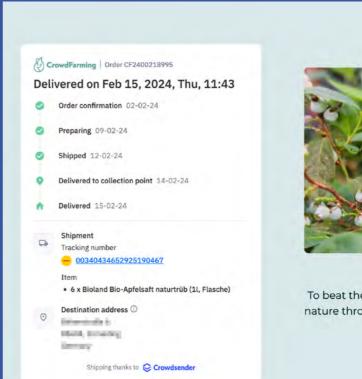
4.3

compared to the 4.2 we got last year.

Our customer service team, consisting of 16 people who speak 6 different languages, personally resolved

158,175 cases

To achieve this, we focused on improving the efficiency of CrowdLog, supporting Spanish farmers, and the development of CrowdSender, a digital software that helps us track every delivery and makes the information accessible to CrowdFarmers



We found ways to get better this year, but there's still more to do. We learned that not having accurate predictions for farmer harvests caused a lot of orders to be cancelled last minute because of the lack of available products. This showed us we require better planning. Also, our communications weren't as effective as they should have been. This affected how well our projects went, and sometimes we took more than 5 days to reply to emails, which isn't good for building trust with CrowdFarmers. We will keep working to deliver the CrowdFarming experience we promised.





Your own blueberries from the field

To beat the blues, adopt your own blueberry bush. Reconnecting with nature through our adoption plan is the best way to create a bond with the farmer.



Unfolding the CrowdFarming Universe

We keep working to expand the CrowdFarming universe beyond one product boxes and adoptions, introducing new formats that cater to the diverse needs of homes across Europe. Last year, we tested the waters with mixed boxes. This year, we introduced:



Monthly subscription

Each month, we curate a trio of seasonal fruits in a box and ship it to approximately 15,000 subscribers. Get ready for some exciting additions, including a veggie box slated for release in February 2024.



Personalised boxes

Thanks to our CrowdLog-Museros hub in We've also empowered CrowdFarmers Valencia, CrowdFarmers in Germany where we're first rolling out this format can now customise their boxes by combining dry goods like extra virgin olive oil, nuts, or legumes with a variety of fresh produce harvested on demand.



CrowdFarming for businesses

We've continued our collaboration with 83 businesses invested in supporting a fair and sustainable food supply chain, providing their employees with fresh fruit and organic produce.



CrowdFarming as a gift

to become ambassadors of the direct sales model. We've introduced the CrowdFarming gift card and enhanced the experience of gifting adoptions. In 2023, 12.665 adoptions and 2.044 cards were gifted!

CrowdGiving: Fresh food for those who need it the most

8.6% of the population living in Europe is grappling with food poverty. These individuals turn to food banks to secure at least one meal a day.

After numerous conversations with food banks to determine how we could help, we understood that the fruit they received was rarely fresh nor in good condition (let alone organic). Most of the produce they receive is what the rest of the population is unwilling to purchase. This is why, just before the Christmas holidays, we launched CrowdGiving 2.0.

The difference from our previous donation initiatives is that CrowdGiving is NGOs to kick off the project which here to stay, active all year round, and not only for punctual donation campaigns.

The way it works is donors choose an NGO and product they want to donate (of the same quality, that we send in regular orders), farmers receive the full price for their products and CrowdFarming handles the shipment to the NGO.

When shipments arrive at the NGO, we reimburse the donor 20% of the cost of the order in credits (approximately the amount CrowdFarming would earn with the average order), so that they can use the discount on their next CrowdFarming purchase.

We chose four food banks and received over 45 tons of oranges. clementines, avocados, and rice in the 3 weeks that it was operating in 2023:







SOS Food Bank in Warsaw, Poland: Daily actions of the Food Bank reflect their mission — saving food from waste and helping those in need. They cooperate with many charity spots where Ukrainian refugees are living, and new ones keep arriving.

Received 5,179 kg of food

"This is great news and a very impressive amount of goods! We are very happy that our beneficiaries are going to receive those high-quality fruits and rice. Thank you very much."

> Agata Szczebyło, Coordinator at SOS Food Bank



Tafel Mannheim, Germany: A regional logistics centre, part of Tafel Deutschland, that supplies not only its own six distribution points but also supports nine other food banks in the region. They serve between 5,000 and 6,000 people weekly.

Received 26,744 kg of food

"I am truly excited about our collaboration, and I send you many greetings from Mannheim. The fruits you send us always receive positive feedback. Our beneficiaries are delighted with the freshness and quality of the products."

> Manuel Wamser, Head of Tafel Mannheim



Banques Alimentaires, France: The leading food aid network in France and for almost 40 years, they have been fighting against poverty and food insecurity. Banques Alimentaires network helps 2.1 million people in need of food aid.

Received 6,141 kg of food

"We were very pleasantly surprised by the volume of the donations, good news!"

> Patrick Tersigni, sourcing at Banque Alimentaire de L'Hérault



Amigos de la Calle, Valencia, Spain: We wanted to offer an option that was close to our logistic centre in Valencia, where the orders are prepared, to also have the possibility of helping those in need while reducing food miles. They prepare 720 bags of food every Sunday for people in need, and they always try to add a piece of fruit.

Received 6,232 kg of food

"The campaign has been a success for our beneficiaries, who enjoy juice and natural oranges, as well as bananas and avocados. Thank you!"

> Maribel Cuevas, Amigos de La Calle

What the Field: **Our blog and podcast** to explore what is goin on in the agri-food industry

This year, our blog and podcast have carried on the mission to break down the nitty-gritty topics of the agri-food world.

On the blog, we tackled topics like synthetic chemicals in agriculture, the EU's call on glyphosate, and the connection between farming and declining bird populations. We've also covered the tough times farmers are facing, from extreme weather to the reasons behind soaring prices of extra virgin olive oil. But it's not all gloom and doom—we also shed light on regenerative agriculture and pulled back the curtain on the agri-food supply chain, from greenhouses to the oranges' journey through the CrowdFarming supply chain.

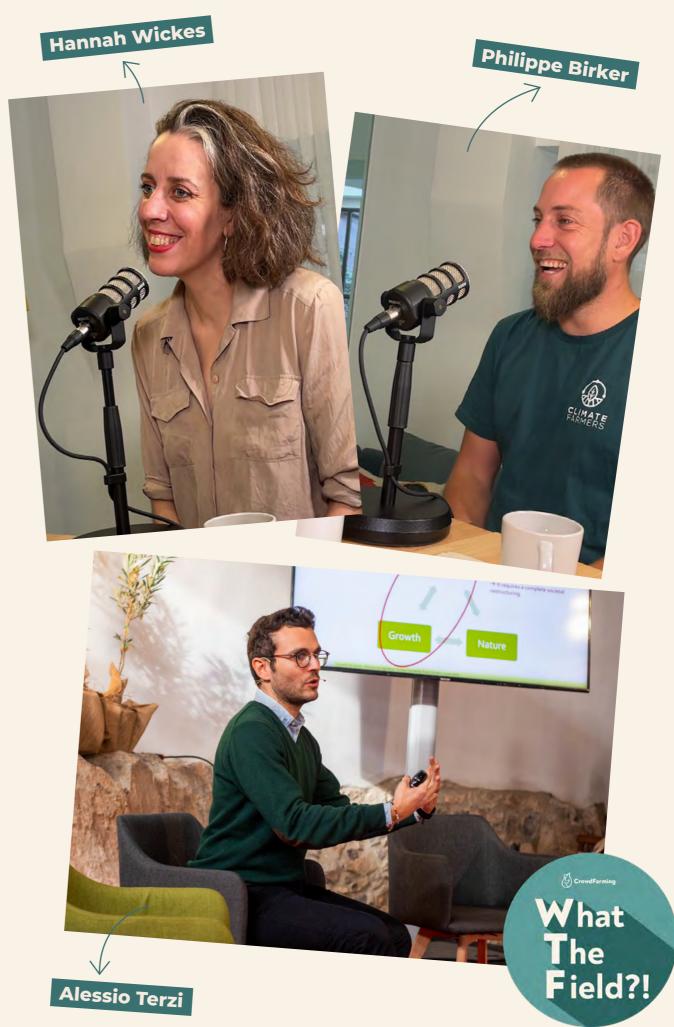
Ever wondered about the different types of citrus, mangoes, or apples? Us too. That's why we dished out some info. And since knowledge is power, we shared recipes and tricks to ripen fruit at home to help you make the most of your food and reduce waste.

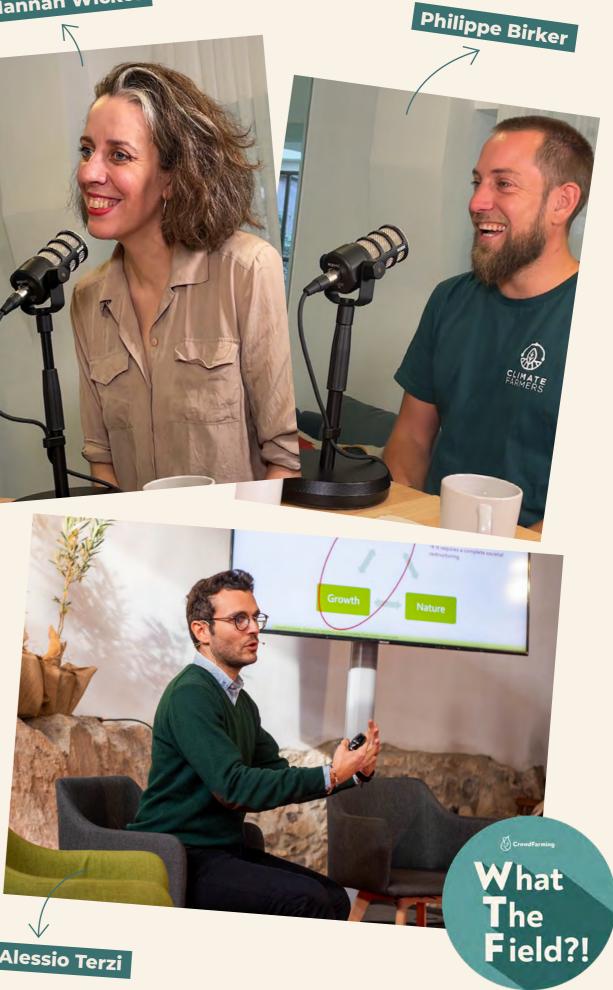




Now, onto the podcast. It's been a year of serious discussions, from food waste to rethinking economic growth (hint: the current model isn't cutting it). As we step into 2024, we're gearing up for more discussions on the real issues in the agri-food space. No frills, just straight talk about the challenges we're facing.

A big shoutout to our guests who brought their A-game: Helena Calvo from Too Good To Go. Alessio Terzi from the **European Commission, gardener** and author Charles Dowding, **Antonia Herm-Stapelberg from** CrowdFarming, Maria Correa from **B Lab Europe, Garance Boullenger** from Ellen MacArthur Foundation. Luis Leblanc Torres from Juntos Ibiza and AlVelAl, Philippe **Birker from Climate Farmers, CrowdFarming farmer Friedrich** Lehmann. Juliana Jaramillo from **Rainforest Alliance, Brent Loken** from WWF, and Hannah Wickes, former CMO at Ecosia.







CrowdFarming workforce, a force for good

In 2023, CrowdFarming employed 147 people from 12 different countries. Among them, 55.63% were women, and 44.37% were men, similar to the previous year.

In CrowdLog, our team grew to 67 people, twice as much as last year, with 68.57% women and 31.43% men.

Besides working in a company with a mission, CrowdFarming people get together in their free time to have a local impact. There have been different initiatives such as supporting a local food bank, picking up rubbish to help clean up nature or planting trees. We've continued our clothes exchange days, where we share clothes we don't need any more.

And we also like to have a good time just for the sake of it, organising various activities for different interests! There's a book club, a culture group, hiking days in the mountains, and game afternoons in the office cafeteria.



CrowdTrecking

CrowdBook







$\mathbf{08}$ The forecast for a fruitful 2024







In 2024, we have the biggest challenge in CrowdFarming's history to date: **to prove that regenerative organic farming is economically viable for farmers and society through direct sales.** When more people purchase directly from farmers, it allows farmers to allocate more of their income towards implementing organic and regenerative practices on their farms.

"But Gonzalo, with organic farming we cannot feed the entire population because the yields per hectare are lower."

This is the biggest lie spread by the chemical fertiliser industry. Here are some arguments so that you can refute it the next time you hear it:

First, in Europe, 20% of the food produced is wasted. We live in a society of abundance, and chemically synthesised herbicides and fertilisers have made it possible to produce very cheap food at a high environmental cost. If you live in Europe, you should be more concerned about the loss of natural agricultural soil fertility than about the lack of food.

Second, a lot of research is being done in the regenerative organic farming space and there is a huge gap for improvement. The scientific community is developing ways of working that not only take into account yields per hectare but also don't damage the ecosystem where they are to be applied.

Third, as the demand for organic products increases, not only will it encourage more farmers to convert to organic, but it will also mobilise more capital towards innovation in these fields. Europe has set itself the target of having 25% of the fields cultivated organically by 2030. Personally, I think this is not enough, but we have to start somewhere. The last official figure for 2022 says that we are at 10.4%.

We still have 6 years to double the amount of land cultivated organically. From CrowdFarming we take on this challenge, which drives us to do our best.

onzalo

Happy 2024 harvest!

Gonzalo Úrculo Farmer and co-founder

of CrowdFarming





