

## Case Studies



As part of Vietnam's 2021-2030 Socio-Economic Development Strategy, the country aims to improve its agricultural production through modernization and value-added agricultural products. Despite exports reaching USD 53.2 billion in 2022 (VN Express), challenges like low productivity, limited market access, and climate change persist (ADB). TechCoop, a agri-tech firm, believes Vietnam's agricultural exports can double by 2030 through a digitally integrated supply chain. They aim to bridge this gap by promoting digital transformation, facilitating financing access, and streamlining transactions between farmer cooperatives and agribusinesses – all powered by improved data availability.

TechCoop boosts Vietnamese farmers' incomes and sales by linking them and SME agribusinesses to financing options. This facilitates trading between these parties, while TechCoop earns a modest commission on the trades that take place. Unlike traditional wholesalers, TechCoop also directly connects agribusinesses with farmers, enabling collaborative crop planning and increasing export value. TechCoop's platform delivers a comprehensive ecosystem for farmers, providing support on everything from input and working capital access, to enhanced crop productivity and sales.

Furthermore, TechCoop is one of the fastest-growing agri-tech companies in the region, led by a dynamic female entrepreneur, Hao Diep. The company is transforming agriculture by offering comprehensive farming solutions, providing an end-to-end solution for all farming needs, and promoting gender diversity in the sector. The woman-led leadership showcases the power of female entrepreneurship and fosters inclusivity in a farming industry that is traditionally male-dominated.

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"We naturally integrate ESG practices and scaling up allows us to improve our measurement capabilities and showcase the impact of our initiatives. Customer feedback highlights their appreciation for our fair, value-driven approach, and the positive changes we bring to them."

Hao Diep, Co-Founder

From the onset, TechCoop's founders have focused on managing environmental, social, and governance (ESG) risks by incorporating ESG factors into its customer credit scoring system. They are convinced that sustainable farming practices lower business risk. As such, financial metrics account for 40% of the credit score, while sustainable farming practices, including crop type and environmental certifications, make up 10% of the credit score.

Next to this, TechCoop considers farmer demographics and the quality of a customer's buying and selling network (e.g. trading directly with smallholder farmers earns higher scores).

Since being founded in April 2023, TechCoop contributes to SDG target 1.4 and 9.3. The company has helped more than 150 agribusinesses, 1,770 cooperatives and over 100,000 farmers access technology, financial services, affordable credit, and increased integration into Vietnam's agricultural value chain.

As a scout deal, TechCoop has benefited from tapping into the expertise, professionalism, and network of the TNB Aura team. This includes guidance on strategic initiatives, fundraising via innovative structures as well as enhancing governance practices and investor relations. Looking ahead, the company plans to harness TNB Aura's established ESG experience and strategies to further expand its business.