STRATEGIC PLAN

2026-2030

OKERE SHEA COOPERATIVE SOCIETY LIMITED

"Growing Women's Wealth through Sustainable Nilotica Shea"

FOREWORD

When we established Okere Shea Cooperative Society Limited in 2020, we did so with a simple but powerful belief: that the indigenous Nilotica shea tree could become a pathway to dignity, prosperity, and lasting transformation for the women and families of Northern Uganda. For generations, women have collected shea nuts under these magnificent trees, yet they have often remained the least rewarded participants in the value chain. This Strategic Plan represents our collective commitment to changing that reality.

As a women-led cooperative, we believe that empowering women economically is one of the most effective ways of transforming households and communities. Every shea nut collected, every kilogram of butter processed, and every premium market accessed represents more than a commercial transaction—it is an opportunity to improve household incomes, educate children, strengthen families, and build resilient rural economies.

This Strategic Plan provides a clear roadmap for the next phase of our journey. It outlines our ambition to grow our membership from 500 to 10,000 members, strengthen sustainable production, expand value addition, increase exports, conserve millions of indigenous shea trees, and position Okere Shea as one of Africa's leading producers of premium Nilotica shea products. Equally important, it reaffirms our commitment to protecting the unique shea parkland ecosystems upon which both our livelihoods and future generations depend.
None of these ambitions can be achieved by the Cooperative alone. Our success will continue to depend on the dedication of our members, the trust of our customers, the commitment of our staff, and the collaboration of government, development partners, researchers, conservation organizations, and the private sector. Together, we can demonstrate that a women-led cooperative rooted in a rural community can compete successfully in global markets while creating lasting social, economic, and environmental impact.

I extend my deepest appreciation to our members, Board of Directors, management team, staff, traditional leaders, community partners, and all those who have walked this journey with us. Your commitment, resilience, and shared vision continue to inspire the remarkable progress we have made.

As we look toward 2030 and beyond, I invite every member and partner to embrace this Strategic Plan not simply as a document, but as our shared commitment to building a cooperative that empowers women, creates sustainable livelihoods, protects the indigenous Nilotica shea landscape, and leaves a legacy of prosperity for future generations.

Together, we will continue to prove that when women thrive, communities prosper, and nature is protected, sustainable development becomes not just possible, but inevitable.

ARACH LUCY OJOK

FOUNDER, CO-MANAGING DIRECTOR AND TREASURER

ABOUT THE COOPERATIVE

About Okere Shea Cooperative Society Limited
Okere Shea Cooperative Society Ltd. is a women-led agricultural cooperative established in 2020 to organize shea collectors, processors, and producers across Northern Uganda into a competitive, inclusive, and environmentally sustainable enterprise. Registered under the cooperative laws of Uganda, the Society was founded to unlock greater value from the indigenous Vitellaria nilotica (Nilotica shea) resource while improving the livelihoods of rural households through collective action, value addition, and sustainable natural resource management.

As of 2026, the cooperative brings together 500 members, approximately 90% of whom are women, reflecting the central role women play in the shea value chain. Headquartered in Otuke District, the Society is steadily expanding its membership and sourcing network across the wider Nilotica shea belt of Northern Uganda, creating opportunities for thousands of women collectors and farming households.

The cooperative operates a modern shea butter processing factory that transforms premium-quality shea nuts into high-value shea butter and related products for both domestic and international markets. Through investments in processing technologies, quality assurance systems, and internationally recognized production standards, the Society is positioning Nilotica shea as a premium ingredient for the global cosmetics, personal care, food, and pharmaceutical industries.

To ensure transparency, product integrity, and market confidence, Okere Shea Cooperative Society is establishing a digital traceability system that tracks shea nuts from individual collectors through processing to final markets. This system strengthens quality control, supports certification processes, and enables buyers to verify responsible sourcing throughout the supply chain.

The cooperative has successfully entered international export markets, supplying premium Nilotica shea butter to global buyers while continuously expanding strategic partnerships with ethical brands and manufacturers. Export-led growth enables members to access higher-value markets and receive better returns for their products.

Environmental sustainability is at the heart of the cooperative's mission. Working closely with local communities, traditional leaders, and conservation partners, the Society promotes the protection and restoration of indigenous shea parklands, recognizing that healthy ecosystems are fundamental to long-term livelihoods. Through farmer training, community awareness, assisted natural regeneration, and sustainable harvesting practices, the cooperative contributes to conserving millions of shea trees while reducing deforestation and land degradation.

Recognizing the growing impacts of climate change across Northern Uganda, the cooperative integrates climate-smart production practices throughout its operations. These include improved post-harvest handling, sustainable land management, regenerative agriculture, farmer training, biodiversity conservation, and climate resilience initiatives that strengthen both environmental sustainability and household incomes.

By combining cooperative enterprise, women's economic empowerment, value addition, environmental stewardship, and international market access, Okere Shea Cooperative Society Limited is building a globally competitive shea business that transforms one of Africa's most valuable indigenous resources into lasting prosperity for rural communities.

VISION

To become the world's leading supplier of nilotica shea butter in the process creating sustainable wealth stream for our farmers while conserving and regenerating over 10 million shea trees by 2030.

MISSION

To improve the livelihoods of women shea collectors through sustainable production, value addition, cooperative enterprise, innovation, environmental conservation, and access to premium domestic and international markets.

CORE VALUES

Integrity: We uphold the highest standards of honesty, fairness, and ethical conduct in all our decisions, operations, and relationships with members, partners, buyers, and the communities we serve.

Transparency: We promote openness by ensuring that our governance, financial management, pricing, procurement, and decision-making processes are clear, participatory, and accessible to all members.

Member Ownership: We recognize that the cooperative belongs to its members, who actively participate in decision-making, share in its benefits, and collectively shape its future.

Equity: We are committed to providing fair opportunities, equitable benefits, and just treatment for all members regardless of gender, age, disability, ethnicity, religion, or socio-economic status.

Sustainability: We balance economic growth with environmental stewardship and social responsibility to ensure that the Nilotica shea landscape continues to benefit present and future generations.

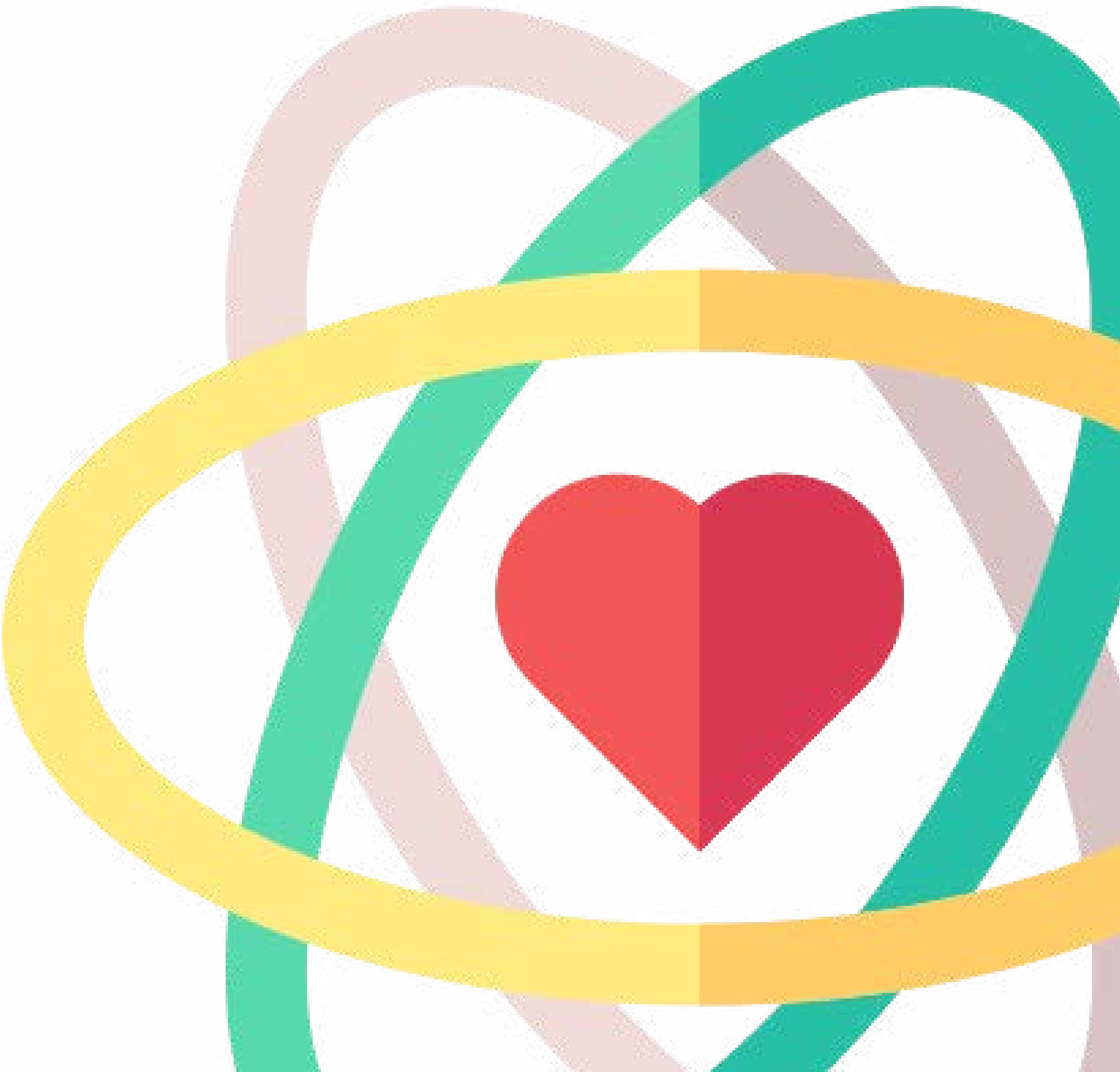
Innovation: We embrace new ideas, technologies, research, and continuous learning to improve productivity, product quality, market competitiveness, and member livelihoods.

Quality: We are dedicated to producing premium-quality shea products by adhering to rigorous standards throughout harvesting, processing, storage, packaging, and marketing.

Accountability: We take responsibility for our actions and performance by maintaining sound governance, prudent financial management, and measurable results for our members and stakeholders.

Inclusion: We foster a cooperative where women, youth, persons with disabilities, refugees, and other marginalized groups are valued, respected, and empowered to participate fully in the shea value chain.

Partnership: We believe lasting impact is achieved through strong collaboration with members, communities, government, research institutions, private sector actors, and development partners who share our vision for sustainable rural prosperity.



STRATEGIC PILLARS

1 MEMBER GROWTH AND COOPERATIVE DEVELOPMENT

The strength of Okere Shea Cooperative Society lies in its members. This strategic pillar focuses on expanding and strengthening the cooperative by increasing membership, enhancing member participation, promoting democratic governance, and building a strong sense of ownership among members. The cooperative will prioritize the recruitment of women and youth from shea-producing communities across the Nilotica belt while strengthening governance structures at village, parish, sub-county, and district levels. Investments will also be made in leadership development, cooperative education, digital membership management, and member communication systems to improve transparency, accountability, and service delivery. By building an informed, active, and united membership, the cooperative will establish a strong foundation for long-term sustainability and growth.

Strategic Targets

- 5,000 registered members.
- 70% active women members.
- A total of 30 Special and Annual General Meetings (SAGMs) conducted.
- 85% Member satisfaction index.
- 100% of members enrolled on digital systems.

2

SUSTAINABLE SHEA PRODUCTION

High-quality shea butter begins with high-quality shea nuts. This pillar focuses on improving production standards throughout the value chain by promoting sustainable harvesting, proper post-harvest handling, and climate-smart production practices. The cooperative will train members on good harvesting practices, emphasize the critical first 48 hours after fruit collection, strengthen quality assurance systems, promote organic production methods, and establish robust traceability mechanisms. Regular internal inspections and continuous farmer capacity building will ensure compliance with international standards while improving productivity, product quality, and environmental sustainability.

Strategic Targets

- 100% of shea nuts fully traceable.
- Obtain and maintain organic Certification with Control Union
- Obtain and maintain Fairwild Certification
- Obtain and maintain UNBS Certification
- Achieve 100% premium-quality production meeting international buyer specifications.

3

PILLAR 3: PROCESSING AND VALUE ADDITION

Value addition is central to increasing member incomes and positioning Okere Shea as a globally competitive brand. This pillar focuses on expanding processing capacity, improving production efficiency, diversifying products, and maximizing the utilization of every component of the shea nut. Beyond crude shea butter, the cooperative will invest in refined butter, specialty cosmetic ingredients, shea oil, soaps, lotions, lip balms, body butter, and other premium products. Waste materials such as shea cake and shells will be converted into valuable by-products including livestock feed supplements, organic fertilizers, and biomass briquettes, creating a circular and environmentally sustainable production system.

Strategic Targets

- 200 MT of shea butter produced per year.
- 5,000 MT of Biochar and organic fertilizer produced per year
- 95% Factory processing efficiency.
- 70% of waste converted into valuable products.
- Three-Phase solar energy project installed.

4
MARKET DEVELOPMENT

Market access is essential for translating production into higher incomes for members. This pillar seeks to strengthen the cooperative's presence in domestic and international markets by building a trusted premium brand, securing long-term buyer relationships, and expanding market opportunities for Nilotica shea products. Domestically, the cooperative will target pharmacies, cosmetic manufacturers, supermarkets, hotels, and wellness businesses. Internationally, it will strengthen exports to the United States, Europe, Japan, South Korea, and other premium markets while pursuing certifications such as Organic and Fair Trade. Strategic investments in branding, digital marketing, trade exhibitions, e-commerce, and buyer engagement will position Okere Shea as one of Africa's leading ethical shea brands.

Strategic Objectives

- 150 MT of Shea butter exported each year.
- $5M Annual sales revenue.
- 10+ of long-term contracts.
- 50 new domestic and international buyers (B2B)
- 100 appearances in local and international media.

5

WOMEN'S ECONOMIC EMPOWERMENT

Women are the backbone of the Nilotica shea value chain. This pillar focuses on transforming the economic and social wellbeing of women by increasing their incomes, strengthening financial inclusion, enhancing leadership, and expanding access to skills, assets, and decision-making opportunities. The cooperative will promote savings and credit, entrepreneurship development, financial literacy, business management, leadership training, and adult literacy while ensuring women participate meaningfully in cooperative governance and value addition. The ultimate goal is to enable women to move beyond subsistence livelihoods toward dignified and sustainable economic prosperity.

Strategic Objectives
- Increase women's incomes through higher-value market participation.
- Expand access to savings and affordable financial services.
- Strengthen women's leadership within the cooperative.
- Improve business and financial management skills.
- Enhance household resilience and economic wellbeing.

Key Performance Indicators
- Average household income at $4
- 90% of women in leadership positions.
- Total member savings.
- 1,000 women accessing loans amounting to $300,000.
- 2,000 women completed business training.
- 20% of women members have iron-roof housing.

6

CONSERVATION AND CLIMATE ACTION

The future of the cooperative depends on the health and sustainability of the indigenous Nilotica shea landscape. This pillar integrates environmental conservation with economic development by protecting existing shea parklands, restoring degraded ecosystems, promoting Farmer Managed Natural Regeneration (FMNR), strengthening biodiversity conservation, and developing climate finance opportunities. The cooperative will work with communities, traditional leaders, local governments, and conservation partners to eliminate the destruction of shea trees, improve fire management, register and monitor indigenous trees, and participate in carbon markets. By linking conservation with improved livelihoods, the cooperative will ensure that environmental stewardship becomes a direct economic benefit for members.

Strategic Targets

- 10M shea trees protected.
- 1M of trees regenerated.
- 100,000 Hectares of restored shea parklands.
- $200,000 worth of Carbon credits generated.
- 80% Forest cover maintained or increased.
- Fire incidents prevented by 20%

Key Performance Indicators

- Number of shea trees protected.
- Number of trees regenerated.
- Hectares of restored parklands.
- Carbon credits generated.
- Forest cover maintained or increased.
- Number of fire incidents prevented.
- Biodiversity monitoring indicators.

7

INSTITUTIONAL SUSTAINABILITY

Long-term success requires a strong, resilient, and professionally managed cooperative. This pillar focuses on strengthening institutional systems, financial sustainability, governance, human resource capacity, monitoring and evaluation, digital transformation, and strategic partnerships. The cooperative will diversify its revenue streams, improve financial management, invest in staff development, strengthen internal controls, modernize digital information systems, and build a robust Monitoring, Evaluation, and Learning (MEL) framework to support evidence-based decision-making. Strong partnerships with government, research institutions, private sector actors, certification bodies, conservation organizations, and development partners will further enhance the cooperative's capacity to achieve its mission.

Key Performance Indicators

- 70% of budget financed through earned income.
- 90% Staff retention and capacity development.
- 90%+ Governance compliance score.
- Annual MEL reports produced and utilized.
- 50 strategic partnerships established.
- $3M funding mobilized annually.

Together, these seven strategic pillars provide a comprehensive roadmap for transforming Okere Shea Cooperative Society into a globally competitive, women-led cooperative that delivers sustainable livelihoods, premium-quality shea products, environmental stewardship, and lasting prosperity for communities across Northern Uganda.

THEORY OF CHANGE

STRATEGIC TARGETS (2030)

STRATEGIC TARGETS (2030)

Driving Impact. Empowering Women. Protecting the Shea Landscape.

INDICATOR	CURRENT (2024/2025)	2030 TARGET
Cooperative members	500	10,000
Women members	90%	Maintain ≥90%
Shea butter production	~18 MT/year	500 MT/year
Shea nuts purchased	~100 MT	3,000 MT
Export destinations	Few	20 countries
Annual turnover	$300,000	US$5 million
Trees protected	1 million	5 million
Trees regenerated	100,000	1 million
Households benefiting	500	10,000
Direct jobs	80	500
Organic certification	In progress	Fully certified
FairWild/Trade Certification	In progress	Fully certified
Carbon projects	Pilot	Commercial scale

OUR COMMITMENT TO 2030

EMPOWERED WOMEN | PROSPEROUS MEMBERS | SUSTAINABLE LANDSCAPE | GLOBAL MARKETS | PREMIUM QUALITY

8 MONITORING, EVALUATION AND LEARNING (MEL)

Okere Shea Cooperative Society recognizes that continuous learning, accountability, and evidence-based decision-making are fundamental to achieving its strategic objectives. The Cooperative will establish a robust Monitoring, Evaluation and Learning (MEL) system to systematically measure progress, assess performance, generate knowledge, and inform adaptive management throughout the implementation of this Strategic Plan.

The MEL system will not only monitor activities and outputs but will also measure long-term outcomes related to women's economic empowerment, household income growth, environmental conservation, climate resilience, cooperative performance, and market competitiveness. The system will provide timely and reliable information to members, management, partners, buyers, certification bodies, investors, and government agencies while ensuring transparency and accountability across all levels of the cooperative.

The Cooperative will utilize both digital and field-based data collection systems, integrating member records, traceability data, production records, financial reports, environmental monitoring, household surveys, and remote sensing technologies where appropriate. Regular learning forums, annual reviews, and strategic reflection meetings will enable continuous improvement and evidence-based planning.

MEL Objectives

The Monitoring, Evaluation and Learning system seeks to:

- Track progress towards the achievement of the Cooperative's Strategic Plan.
- Measure changes in members' livelihoods and household wellbeing.
- Monitor the quality and competitiveness of shea products.
- Assess the effectiveness of conservation and climate interventions.
- Generate evidence for decision-making and continuous improvement.
- Demonstrate accountability to members, buyers, partners, investors, and regulators.
- Strengthen institutional learning and adaptive management.

STRATEGIC PERFORMANCE INDICATORS

1 Member Growth and Participation

The Cooperative will monitor the growth, participation, and engagement of its membership to ensure strong cooperative ownership and inclusive governance.

Key Indicators
- Total registered members
- Active members participating in cooperative activities
- Percentage of women members
- Percentage of youth members
- Annual membership growth rate
- Member retention rate
- Attendance at Annual General Meetings (AGMs)
- Participation in trainings
- Member satisfaction index

Data Sources
- Membership database
- Attendance registers
- AGM reports
- Annual member satisfaction surveys

2 Income Changes

Increasing member income is the Cooperative's primary development outcome. Annual livelihood assessments will measure changes in income attributable to participation in the shea value chain.

Key Indicators
- Average income earned from shea per member
- Percentage increase in annual shea income
- Average farm-gate price received
- Value of annual sales per member
- Number of members accessing premium markets

Data Sources
- Household surveys
- Purchase records
- Sales records
- Cooperative financial reports

3 Shea Butter Quality

Maintaining premium quality is essential for accessing international markets. Quality indicators will be monitored throughout the production process.

Key Indicators
- Percentage of butter meeting export quality specifications
- Moisture content
- Free Fatty Acid (FFA) levels
- Product rejection rate
- Batch traceability compliance
- Internal quality audit scores
- Customer quality complaints

Data Sources
- Factory quality records
- Laboratory reports
- Internal inspections
- Buyer feedback

4 Production Volumes

The Cooperative will monitor production efficiency and value addition to ensure continuous growth.

Key Indicators
- Metric tons of shea nuts purchased
- Metric tons of shea butter produced
- Processing efficiency (% extraction rate)
- Factory utilization rate
- Number of production batches
- Product diversification index

Data Sources
- Factory production records
- Warehouse inventory
- Procurement records
- Sales records

5 Export Performance

Export growth reflects the Cooperative's competitiveness and market expansion.

Key Indicators
- Annual export volume (MT)
- Export value (US$)
- Number of export destinations
- Number of international buyers
- Number of long-term supply contracts
- Percentage of production exported

Data Sources
- Export documentation
- Sales reports
- Buyer contracts
- Customs records

6 Household Income and Wellbeing

Beyond shea income, the Cooperative will assess broader improvements in household welfare.

Key Indicators
- Average household income
- Average daily household income
- Household asset ownership
- Children's school attendance
- Food security status
- Access to health care
- Housing improvements
- Household savings

Data Sources
- Household livelihood surveys
- Financial records
- Community assessments

7 Women's Economic Empowerment

As a women-led cooperative, strengthening women's economic and social empowerment remains a central measure of success.

Key Indicators

- Women in leadership positions
- Women's participation in decision-making
- Women's ownership of productive assets
- Average income earned by women members
- Access to savings and credit
- Business ownership among women members
- Financial literacy levels
- Women's confidence and leadership index

Data Sources

- Governance records
- Household surveys
- Training reports
- Gender assessments

8 Conservation and Tree Protection

The Cooperative will monitor the health and sustainability of the Nilotica shea landscape through community-based and digital monitoring systems.

Key Indicators

- Number of shea trees protected
- Number of trees regenerated
- Hectares under sustainable management
- Number of fire incidents reported
- Number of illegal tree-cutting incidents
- Survival rate of regenerated trees
- Biodiversity indicators
- Percentage of members implementing sustainable land management practices

Data Sources

- Tree inventories
- Digital traceability systems
- FMNR monitoring reports
- Community inspections
- GIS and satellite imagery

9 Carbon Sequestration and Climate Action

The Cooperative will monitor its contribution to climate mitigation and resilience through landscape restoration and sustainable production practices.

Key Indicators
- Estimated tonnes of CO_2 equivalent sequestered
- Hectares restored through FMNR
- Number of carbon project participants
- Carbon credits generated
- Carbon revenue earned
- Greenhouse gas emissions avoided
- Climate-smart farming adoption rate

Data Sources
- Carbon monitoring systems
- Remote sensing
- Forest inventories
- Project verification reports

10 Cooperative Financial Performance

A financially sustainable cooperative is essential for delivering long-term value to members.

Key Indicators
- Annual turnover
- Net surplus
- Gross profit margin
- Operating margin
- Value of member dividends
- Liquidity ratio
- Growth in member equity
- Revenue diversification
- Cost recovery ratio

Data Sources
- Audited financial statements
- Management accounts
- Annual reports
- Cooperative financial records

Learning and Adaptive Management

Monitoring alone does not create impact unless the information generated is translated into action. The Cooperative will therefore institutionalize a culture of continuous learning by conducting quarterly performance reviews, annual strategic reflection meetings, member feedback sessions, and periodic external evaluations. Lessons generated through implementation will be documented, shared, and integrated into planning, policy development, and operational improvements. The Cooperative will also encourage innovation by testing new approaches, adopting emerging technologies, and learning from research institutions, certification bodies, buyers, and peer cooperatives to continuously improve the quality, competitiveness, and sustainability of the Nilotica shea value chain.

Through this integrated Monitoring, Evaluation and Learning (MEL) framework, Okere Shea Cooperative Society Ltd. will ensure that every investment, intervention, and partnership contributes measurably to improved livelihoods, stronger women's leadership, thriving shea landscapes, climate resilience, and the long-term sustainability of the Cooperative.

Risk Management Strategy

Risk Management Framework

Okere Shea Cooperative Society Ltd. recognizes that achieving its strategic objectives requires the proactive identification, assessment, mitigation, and continuous monitoring of risks that may affect its operations, members, financial sustainability, market competitiveness, and environmental stewardship. As the Cooperative expands its production, processing, exports, and conservation initiatives, it will implement a comprehensive risk management framework that promotes resilience, safeguards member investments, and strengthens institutional sustainability.

Risk management will be integrated into all aspects of the Cooperative's governance and operations. The Board of Directors, Management Team, and staff will regularly review emerging risks, implement mitigation measures, and update contingency plans to ensure business continuity. Annual risk assessments, internal audits, scenario planning, and periodic reviews will support adaptive decision-making in an increasingly dynamic operating environment.

STRATEGIC RISK MATRIX

Risk	Potential Impact	Mitigation Strategy
Climate Variability	Prolonged droughts, erratic rainfall, and extreme weather may reduce shea fruit production, lower yields, and negatively affect member incomes.	Promote climate-smart agriculture, Farmer Managed Natural Regeneration (FMNR), landscape restoration, water conservation, diversified livelihoods, climate-resilient production systems, and participation in climate finance initiatives.
Bush Fires	Wildfires can destroy indigenous shea parklands, reduce biodiversity, damage regeneration efforts, and threaten livelihoods.	Establish community fire management committees, conduct fire awareness campaigns, create firebreaks, strengthen community surveillance, collaborate with local authorities, and enforce by-laws against bush burning.
Poor Harvests	Low fruit production may reduce processing volumes, disrupt supply commitments, and lower cooperative revenues.	Expand sourcing across multiple districts within the Nilotica shea belt, strengthen tree conservation, improve harvesting practices, promote regeneration, and maintain strategic raw material reserves during high-yield seasons.
Price Volatility	Fluctuations in domestic and international shea prices may reduce profitability and affect member incomes.	Diversify markets, negotiate long-term supply contracts, expand value addition, strengthen branding, improve operational efficiency, and maintain a market intelligence system to monitor global trends.
Export Compliance Risks	Failure to comply with international quality, food safety, traceability, or certification requirements may result in shipment rejections and reputational damage.	Maintain robust quality assurance systems, strengthen traceability, conduct internal inspections, invest in staff training, comply with certification standards, and regularly review buyer and regulatory requirements.
Currency Fluctuations	Exchange rate movements may affect export earnings, procurement costs, and overall financial performance.	Diversify export markets, regularly review pricing structures, maintain foreign currency accounts where appropriate, and strengthen financial planning and budgeting.

Governance Challenges	Weak governance, poor financial oversight, or limited member participation may undermine trust, accountability, and institutional performance.	Strengthen cooperative governance, provide regular leadership training, enforce policies and procedures, conduct annual external audits, improve transparency, and promote active member participation in decision-making.
Counterfeit Products	Counterfeit or substandard products bearing the Cooperative's identity may damage brand reputation and reduce customer confidence.	Register and protect the Cooperative's brand and trademarks, strengthen product packaging and labeling, implement product authentication systems, educate consumers, and monitor markets for counterfeit products.
Deforestation and Environmental Degradation	Continued destruction of indigenous shea trees threatens the long-term sustainability of the Cooperative's raw material supply.	Strengthen conservation programmes, promote FMNR, support community by-laws, register and monitor shea trees, incentivize conservation, and collaborate with government and conservation partners.
Market Concentration	Dependence on a small number of buyers or export destinations may expose the Cooperative to commercial and financial risks.	Diversify domestic and international markets, expand product lines, strengthen e-commerce, develop multiple strategic partnerships, and continuously explore new market opportunities.

RISK MONITORING AND REVIEW

The Cooperative will maintain a dynamic Risk Register that is reviewed quarterly by Management and annually by the Board of Directors. Emerging risks will be assessed based on their likelihood and potential impact, and appropriate mitigation measures will be implemented promptly. Key risks and mitigation actions will be incorporated into annual work plans, budgets, and performance reviews to ensure risk management remains an integral part of strategic implementation.

BUILDING ORGANIZATIONAL RESILIENCE

Beyond mitigating risks, Okere Shea Cooperative Society Ltd. is committed to building a resilient institution capable of adapting to changing environmental, economic, and market conditions. Investments in strong governance, diversified revenue streams, quality management systems, digital traceability, staff capacity development, strategic partnerships, and environmental conservation will strengthen the Cooperative's ability to withstand shocks while continuing to create sustainable livelihoods for its members and conserve the indigenous Nilotica shea landscape for future generations.

9 Financing Strategy

Financing Framework

Achieving the ambitions of the Okere Shea Cooperative Society Strategic Plan requires a diversified, sustainable, and resilient financing model. The Cooperative will adopt a blended financing approach that combines internally generated revenues, member contributions, commercial financing, climate finance, and strategic partnerships to ensure long-term financial sustainability while reducing dependence on donor funding.

Over the implementation period of this Strategic Plan, the Cooperative will progressively increase the proportion of its operational and capital investments financed through earned income generated from commercial activities. External financing will primarily be directed towards strategic investments in infrastructure, climate resilience, product innovation, certification, technology, conservation, and expansion into international markets.

The financing strategy is guided by five principles:

- **Financial sustainability** through increasing internally generated revenue.
- **Member ownership** by strengthening capital contributions from members.
- **Diversification** of funding sources to minimize financial risks.
- **Responsible borrowing** for productive investments with measurable returns.
- **Leveraging partnerships** to unlock catalytic investments and technical support.

STRATEGIC FINANCING SOURCES

MEMBER SHARES

Member equity forms the foundation of the Cooperative's ownership and long-term sustainability. Every member will continue contributing share capital, strengthening the Cooperative's financial base while reinforcing collective ownership and participation in decision-making. As membership expands, share capital will become an increasingly important source of financing for strategic investments.

Priority Uses

- Working capital
- Cooperative expansion
- Capital investments
- Member ownership strengthening

COOPERATIVE SAVINGS

The Cooperative will encourage a strong savings culture among members to increase internal capital mobilization. Member savings will strengthen financial resilience, improve access to affordable finance, and provide capital for cooperative growth while supporting members to invest in productive activities within the shea value chain.

Priority Uses

- Seasonal purchasing of shea nuts
- Member loans
- Emergency reserves
- Cash flow management

PRODUCT SALES

Revenue generated from the sale of shea butter and value-added products will become the Cooperative's principal source of internally generated income. As production volumes increase and product diversification expands, commercial sales will finance day-to-day operations, maintenance, business expansion, and member services.

Revenue streams will include:

- Premium crude shea butter
- Refined shea butter
- Shea oil
- Body butter
- Soap
- Lip balm
- Cosmetic ingredients
- Biomass products
- Other value-added shea products

EXPORT REVENUE

International exports represent one of the Cooperative's greatest opportunities for sustainable income growth. By securing long-term contracts with ethical buyers and premium cosmetic manufacturers, export revenues will provide foreign exchange earnings, improve profitability, and increase returns to members.

Priority markets include:

- United States
- Europe
- Japan
- South Korea
- Emerging international cosmetic markets

DEVELOPMENT PARTNERS

Strategic partnerships with governments, development agencies, philanthropic foundations, NGOs, universities, research institutions, and the private sector will continue to play an important role in supporting innovation, capacity building, infrastructure development, women's economic empowerment, certification, conservation, and institutional strengthening.

Partnership financing will primarily support:

- Capacity development
- Technical assistance
- Research and innovation
- Infrastructure
- Women's empowerment
- Conservation initiatives
- Digital transformation

CLIMATE FINANCE

Given the Cooperative's significant contribution to restoring and protecting indigenous shea parklands, climate finance presents a major opportunity for sustainable investment. The Cooperative will actively pursue funding from international climate funds, biodiversity initiatives, regenerative agriculture programmes, and ecosystem restoration facilities that support nature-based solutions and climate resilience.

Priority investment areas include:

- Landscape restoration
- FMNR
- Climate-smart production
- Biodiversity conservation
- Community resilience
- Sustainable land management

CARBON MARKETS

The protection and restoration of indigenous shea parklands creates significant opportunities for generating carbon credits through avoided deforestation, assisted natural regeneration, and sustainable landscape management. The Cooperative will work with specialized technical partners to develop verified carbon projects that create additional income for members while strengthening conservation outcomes.

Potential revenue streams include:

- Carbon credits
- Biodiversity credits
- Ecosystem service payments
- Nature-based investment programmes

BLENDED FINANCE

To accelerate growth, the Cooperative will pursue blended finance arrangements that combine grants, concessional financing, commercial capital, and private investment. This approach will reduce investment risks while mobilizing larger pools of capital for strategic expansion.

Blended finance will support:

- Factory expansion
- Processing equipment
- Renewable energy
- Digital traceability
- Certification
- Warehouse development
- Working capital

COMMERCIAL LOANS

Where financially viable, the Cooperative will access commercial financing from banks, microfinance institutions, development finance institutions, and cooperative financial institutions to finance productive investments with strong commercial returns.
Borrowing will be guided by prudent financial management principles and will focus on investments that generate sufficient cash flow to service debt without compromising the Cooperative's financial stability.

Priority investments include:
- Processing equipment
- Factory expansion
- Warehouse facilities
- Transport
- Solar energy systems
- Working capital during peak purchasing seasons

GRANTS FOR VALUE ADDITION

The Cooperative will continue to mobilize grant financing from governments, foundations, bilateral agencies, multilateral institutions, and corporate social investment programmes to accelerate innovation and strategic investments that may not yet be commercially viable.

Grant funding will primarily support:
- Product development
- Quality improvement
- Organic and FairWild/Fair Trade certification
- Women's enterprise development
- Research and development
- Digital innovation
- Market promotion
- Environmental conservation
- Climate resilience initiatives

FINANCIAL SUSTAINABILITY STRATEGY

By 2030, Okere Shea Cooperative Society aims to become a financially resilient enterprise that finances the majority of its operational costs through internally generated income while leveraging external financing for strategic growth and innovation. The Cooperative will progressively diversify its revenue base, strengthen financial management systems, build adequate financial reserves, and maintain prudent investment and borrowing practices to ensure long-term sustainability.

Regular financial planning, annual budgeting, independent audits, internal financial controls, and transparent reporting will guide the effective utilization of all financial resources. Through this diversified financing strategy, the Cooperative will be well positioned to expand its membership, strengthen women's economic empowerment, increase exports, protect the Nilotica shea landscape, and build one of Africa's leading sustainable shea enterprises.