

# Strategic Plan

2024-2029

## Letter from the CEO

It has been nearly ten years since we co-founded Blue Forest, leveraging conservation finance to support forest restoration that protects communities and landscapes from catastrophic wildfire and creates climate-resilient ecosystems. Nick Wobbrock, Phil Saksa, and I have seen the Forest Resilience Bond model develop from a theory to successful implementation and expansion that has allowed forest restoration and climate resiliency work to happen at the pace and scale necessary to combat catastrophic wildfires and climate events. We started with a small handful of employees and have grown to a 40-person team. This growth is a testament to the importance of the work we are doing every day.

In any maturing organization, there comes a time for reflection and reassessment. Throughout 2023 our leadership team spent significant time with our Board of Directors, staff, and partners looking at where we came from and where we want to go. We reflected on what has made us successful so far, where we have learned important lessons, and what will guide us as we move forward. I am proud of my team's vision, expertise, and profound thoughtfulness as we progressed through this process to develop our 2024-2029 strategic plan. I believe that what we have drafted will help us remain hyper-focused on our mission while continuing our track record of innovation and impact.

Our five-year strategic plan outlines our new mission, values, and four Strategic Pillars that will collectively guide our organization on our continued journey, ensuring we remain highly effective while always looking for new opportunities and areas of growth. I thank you—and all of our supporters, partners, and friends who have helped us get to where we are—and invite you to continue to join us on our path forward. Over the years your input, support, partnership, and collaboration have been the soil in which we grew this seed. Without you, we wouldn't be the flourishing organization we are today. Thank you and let's continue to grow our impact together—because landscape-scale restoration needs to happen now.

In partnership,



Zach Knight

# Introduction

As we approached a decade of operations at Blue Forest, we recognized the need to develop a strategic plan to help us continue to grow and innovate over the next five years, while also remaining focused on our mission.

Over the course of 2023, Blue Forest undertook a strategic planning process. This involved staff and partner surveys, in-person leadership brainstorming sessions, and 1:1 listening sessions with the Board of Directors and the Executive team. We also aligned this process with the organization's brand refresh and the development of our Tribal Engagement strategy. These discussions resulted in the development of a new mission statement, updated values that more accurately reflect the core beliefs of the organization, and four Strategic Pillars, all meant to carry us into this next chapter of Blue Forest.

This strategic plan maps out a journey for Blue Forest, and is not intended to be a stagnant document from which we cannot deviate. The plan highlights where we have the greatest potential to deliver on our mission, while also being forward-looking to additional areas of impact and opportunity.

While the aim is that the Strategic Pillars outlined below will remain consistent over the next five years, they will be revisited on an ongoing basis to ensure they continue to reflect the need for ecological restoration, the strengths of our organization, and the ways we can generate the most impact. Our goals and objectives under each Strategic Pillar will be updated regularly to allow for stepwise progression toward achieving the strategic initiatives.

While Blue Forest has undergone significant growth, our priority continues to be wildfire risk reduction in the Western U.S. This priority is followed by a focus on broader forest and watershed health in the Western U.S., and then other ecosystems and geographies.

Development of this plan would not have been possible without patience, passion, and input from staff across Blue Forest, our partners, and Board of Directors. We are grateful for all the support and time spent thinking through and iterating on our new mission, values, and Strategic Pillars. We are eager to start enacting and look forward to the next five years of growth, partnership, and impact.

# Mission Statement

## Overview, Process, and Background

The first step to developing this strategic plan was updating our mission statement to better reflect the 'how' and 'why' of our work. Our refreshed mission statement articulates not only what we do at Blue Forest, but the impact we intend to have through our work.

## Mission Statement

To accelerate ecological restoration through conservation finance, enabling climate resilience for ecosystems and communities.

# Blue Forest Values

Revisiting and reimagining our values was foundational to developing this strategic plan as we embark on this next stage of growth, five years after the first Forest Resilience Bond (FRB) launched. As we continue to grow into an effective and impactful organization, these values will help articulate what we do and how we do it.

We have set goals and objectives that ensure we are embodying and enacting our values. We want our values to be deeply embedded in the activities of our organization, from the recruitment of employees, to how we execute our work, to the nature in which we partner and design financial products. Our Blue Forest values articulate who we are and how we work, and they inform our priorities and strategies.

We Are.....:

## Committed to Continuous Learning

*We're dedicated to deepening our knowledge as a team.*

As a multidisciplinary organization at the intersection of conservation and finance, we find immense joy in the act of ongoing learning. We are dedicated to deepening our knowledge within and beyond our disciplines—emphasizing learning from diverse perspectives and broadening our understanding of the world. Ongoing learning enables continuous improvement, strengthening our organization through sharing experiences of failure and success.

## Driven by Collaboration

*We believe ecosystem restoration can only happen through collaboration with partners and communities.*

Our work starts and ends with collaboration. Siloed organizations cannot accomplish ecosystem restoration; collaboration rooted in transparency, trust, and understanding is essential. Recognizing this, we seek to build meaningful partnerships that span local communities and organizations, the scientific community, and state, Tribal, and federal partners to craft effective, impactful, and enduring solutions.

## Thoughtful Innovators for Impact

*We understand that deliberate and careful innovation creates long-lasting solutions.*

We acknowledge that the current pace of restoration must increase to match the scale of restoration needed to achieve resilient ecosystems and communities. Innovation is necessary to increase pace and scale. Innovations we develop at Blue Forest are thoughtfully built in partnership with communities and organizations, thoroughly researched, transparent, open to feedback, economically viable, durable, and continually improved upon.

## Grounded in Science

*We believe effective ecosystem restoration is rooted in Western Science and Traditional Ecological Knowledge.*

We are committed to a holistic approach integrating insights from various scientific disciplines. We understand that effective ecosystem restoration applies both Western Science and Traditional Ecological Knowledge. Through the co-creation of knowledge, we seek to support the health of the land and effectively communicate the environmental, economic, social, and cultural benefits of ecosystem restoration.

## Passionate About Restoring Earth's Ecosystems

*We're driven by an unwavering commitment to restoring our ecosystems.*

Fundamental to Blue Forest is a belief in the value of the earth's ecosystems. We are driven by a commitment to restore and protect landscapes to create resilient ecosystems, laying the foundation for sustainable and resilient communities.

# Land Acknowledgment

Blue Forest is a remote organization with roots in what we now call Sacramento County on the traditional, ancestral, and contemporary homelands of the Miwok and Nisenan People and the gathering places of the Patwin Wintun and Maidu People. These homelands include the Sacramento, American, and Cosumnes Rivers, sacred sites, and cultural landscapes that make up their rich heritage.

We recognize Wilton Rancheria Tribe, the only federally recognized tribe in Sacramento County, and the Native Nations, both federally and non-federally recognized, that call the greater region home. Blue Forest acknowledges that these Nations have maintained meaningful relationships with their lands, despite missions, unratified Treaties, and termination legislation that forcibly removed Peoples from and divided up homelands. Native Nations have maintained and reclaimed lands—leading historic preservation, land stewardship, and land management—from which Blue Forest continues to learn in advancing our commitment to resilient landscapes, ecosystems, and communities.

As an organization with team members and project sites located across many lands, we task each team member with learning about the history of the lands upon which they live and the landscapes they serve. Team members learn about the Indigenous Peoples who call the lands home now and historically and take meaningful action to support local Indigenous communities.

Blue Forest recognizes and affirms Tribal sovereignty and self-determination across all lands where we work. We understand that learning from the original stewards of these lands is essential to a resilient and more equitable future and are committed to continuously listening, learning, and amplifying Indigenous voices. Through our Indigenous Partnerships Manager and team members, we are implementing frameworks and standards for Tribal engagement across each stage of the project development process to facilitate meaningful partnerships with Native Nations and support transitions to Indigenous land management and reclamation. We are committed to supporting Indigenous-led initiatives by directing resources, such as the Forest Resilience Bond, to Tribal land management.

We encourage you to learn more about the Indigenous lands you are living on and the Peoples who have stewarded them since time immemorial. For more information, please reach out to our Indigenous Partnerships Manager at [Indigenouspartnership@blueforest.org](mailto:Indigenouspartnership@blueforest.org).

# Strategic Pillars

Strategic Pillars at Blue Forest are the articulation of our priority areas for the next five years, guiding where we will be focusing resources through 2029. These Strategic Pillars intend to guide the direction of the organization, and they're accompanied by goals that outline what we need to achieve to enact our mission. The objectives under each goal are stepwise and will be revisited and updated on an annual basis, showcasing progress through key results.

**Organizational Capacity Building:** We are advancing Blue Forest from its startup roots to a resilient organization.

**Ecosystem Restoration Financing:** We are catalyzing capital toward the restoration of ecosystems on the landscape scale.

**Science to Advance Ecosystem and Community Resilience:** We are developing and leveraging best-in-class science in order to deliver impactful solutions for nature and people.

**Culture of Empowerment:** We are building a culture where our employees thrive.

## Organizational Capacity Building

*We are advancing Blue Forest from its startup roots to a resilient organization.*

### Why is Organizational Capacity Building a Strategic Pillar?

Blue Forest has grown from proving the model of the Forest Resilience Bond and conservation finance to replicating, scaling, and leveraging our expertise in the field to develop additional financial models addressing ecosystem restoration. To achieve our mission, it is essential to continue to develop our team and strengthen available resources to bring us from our initial form as a startup to a robust organization.

The following goals and objectives within Organizational Capacity Building wrap around the remaining Strategic Pillars and set Blue Forest up to ensure adequate staffing, expertise, and funding to allow for project execution.

#### Goals and Objectives:

- Goal 1: Develop organizational capacity for a nuanced understanding of ecosystem restoration in order to design and deploy effective financial vehicles
  - Obj. 1: Continue hiring employees who meet the organizational expertise needed to develop ecosystem restoration financial vehicles

- Obj. 2: Develop and deliver comprehensive training in conservation finance and ecosystem restoration for employees
- Obj. 3: Continue to ensure that the Board of Directors is properly constituted to complete its responsibilities
- Goal 2: Attract and effectively manage diverse organizational funding to enable innovation and impact
  - Obj 1: Design and implement a fundraising strategy to fully fund the strategic plan
- Goal 3: Communicate mission and impact to the public, partners, and other stakeholders
  - Obj 1: Develop a communications strategy aligned with the brand and strategic plan to maximize effectiveness of communications
  - Obj 2: Articulate organizational impact and value proposition to partners
- Goal 4: Ensure respect for Indigenous communities and values across projects and partnerships
  - Obj 1: Develop the capacity to build authentic relationships with Native Nations and Indigenous communities
- Goal 5: Continuously advance size- and stage-appropriate internal policies and processes
  - Obj 1: Create a resource planning process that is tied to decision-making and funding in order to align workstreams
  - Obj 2: Develop processes that facilitate integration, engagement, and collaboration among teams
- Goal 6: Steward financial resources toward organizational health and sustainability
  - Obj 1: Continuously strengthen internal controls and enhance compliance
  - Obj 2: Improve financial reporting and analysis for internal and external audiences
  - Obj 3: Improve cost recovery
  - Obj 4: Grow unrestricted net assets and refine the way they're managed

# Ecosystem Restoration Financing

*We catalyze capital toward the restoration of ecosystems on the landscape scale.*

## Why is Ecosystem Restoration Financing a Strategic Pillar?

The wildfire crisis is one of the greatest land management challenges of our time. We believe it is critical to identify financial solutions that enable landscape restoration to occur at the pace and scale needed to achieve long-term resilience. Sustainable financing is essential to ensuring that the delivery of on-the-ground holistic ecosystem restoration can be replicated and scaled. We bring people, finance, and science together to develop financial products that are best positioned to restore and protect ecosystems.

## Current Ecosystem Restoration Financing at Blue Forest

We are the leading asset manager focused on reducing wildfire risk through forest restoration. Since 2018, Blue Forest has developed Forest Resilience Bonds (FRB), connecting new funding sources to forest restoration projects by quantifying the multiple benefits of forest restoration and engaging beneficiaries to make unique contributions based on the benefits they are expected to receive. Through our work in developing FRBs, we realized that there were opportunities to create additional efficiencies for deploying capital into ecosystem restoration. We developed the FRB Catalyst Facility to revolve investor capital into \$50+ million of project financing in at least 10 pilot FRB projects across the Western U.S.

Building on the success of the FRB, Blue Forest has expanded our investment platform to connect investors to a broader set of mission-aligned private market opportunities beyond FRB projects. This expanded platform is called Blue Forest Asset Management, or BFAM.

We invest in every part of the forestry value chain—from harvesting to hauling, processing, and utilization—to build the system capacity necessary to accomplish forest restoration and wildfire risk reduction goals. Our first investment fund under BFAM is designed to make exactly these investments, and it's called the California Wildfire Innovation Fund (CWIF).

### Goals and Objectives:

- Goal 1: Expand the set of financial products targeting ecosystem restoration
  - Obj 1: Explore future Blue Forest Asset Management investment strategies
  - Obj 2: Complete fundraising for California Wildfire Innovation Fund and FRB Catalyst Facility
  - Obj 3: Explore and identify new conservation finance products focused on ecosystem restoration and community resilience



- Goal 2: Deploy conservation finance products proven to increase the pace and scale of forest restoration and reduce catastrophic wildfires across the Western U.S.
  - Obj 1: Deploy investment capital through Blue Forest Asset Management’s California Wildfire Innovation Fund in line with investor expectations
  - Obj 2: Provide additional value beyond financing to portfolio investments
  - Obj 3: Provide value to investors through best-in-class reporting and compliance
  - Obj 4: Accelerate the pace and scale of restoration through FRBs
  - Obj 5: Build and strengthen foundational relationships and enabling conditions that advance FRB opportunities through the project development pipeline
  
- Goal 3: Enable the next phase of Forest Resilience Bonds to achieve landscape-scale impact
  - Obj 1: Refine and expand the impact of implemented FRBs
  - Obj 2: Scale pilot FRBs through the development of systems, processes, tools, and investment vehicles
  - Obj 3: Explore, expand, and develop an engagement strategy for current and emerging beneficiaries to increase contributions to Blue Forest facilitated restoration work
  
- Goal 4: Mature institutional quality investment management platform
  - Obj 1: Ensure best in class transaction and investment management
  - Obj 2: Explore new revenue streams from Blue Forest products and services

## Science to Advance Ecosystem and Community Resilience

*We develop and leverage best-in-class science in order to deliver impactful solutions for nature and people.*

### Why is Science to Advance Ecosystem and Community Resilience a Strategic Pillar?

Our value of being grounded in science underpins all our work at Blue Forest. Our scientific and conservation expertise and partnerships underlie the structure of our financial vehicles and our community collaborations. A deep understanding and application of both Western Science and Traditional Ecological Knowledge is essential to effective landscape-scale restoration.

## Current Ecosystem Science at Blue Forest

Scientific evaluation of ecosystem restoration impacts is fundamental to securing beneficiary contributions to Forest Resilience Bond projects. We work to advance the understanding, evaluation, and monitoring of the many distinct benefits provided by healthy ecosystems.

We develop, test, and deploy emerging tools and methodologies for quantifying and monitoring the outcomes of ecosystem restoration projects. Our science team partners with academic and other research organizations to provide scientific support for stakeholders' investments in ecosystem resilience. We also maintain a portfolio of independent research projects to gain new insights into the various benefits of well-managed landscapes and environmental finance, ensuring the continued growth of the conservation finance field.

### Goals and Objectives:

- Goal 1: Ensure Science and Research is the backbone of project and product development
  - Obj 1: Enhance and formalize a benefit evaluation process, focusing on our cornerstone benefits of wildfire risk reduction and water supply security, to support current initiatives
  - Obj 2: Understand frontier benefits of ecosystem restoration and identify and develop associated benefit models to enable future investment vehicles
  - Obj 3: Develop internal expertise and actively incorporate and amplify Indigenous Science and Knowledge through the science team
- Goal 2: Strategically and meaningfully engage with research partners and the scientific community
  - Obj 1: Develop a strategic roadmap with science, research, and partnership priorities to support the development of the conservation finance sector and position Blue Forest as a thought leader
  - Obj 2: Identify and partner with Indigenous scientists and communities

## Culture of Empowerment

*We are building a culture where our employees thrive.*

### Why is Culture of Empowerment a Strategic Pillar?

Delivering on Blue Forest's mission requires an empowered high-performing team. We must continue to work to ensure that: we are supporting our staff to excel; attracting curious, innovative, and impactful new staff; and actively widening the pipeline of talent at the

intersection of the finance and conservation fields. We will continue to build a culture of empowerment and inclusion, where staff feel able to be their authentic selves, set ambitious goals, and take ownership and accountability for their work. To develop this culture, our employees need to be confident, capable, and well-supported by the organization.

#### Goals and Objectives:

- Goal 1: Foster a diverse, equitable, inclusive, and just organizational culture that enacts our organization's values
  - Obj 1: Embed robust and enactable values that motivate our employees and drive our organization
  - Obj 2: Foster a work environment that prioritizes ongoing DEI learning, development, and action
- Goal 2: Develop and maintain an organizational ethos rooted in empowerment, accountability, and feedback
  - Obj 1: Foster a robust, adaptive, and innovative culture of feedback
  - Obj 2: Establish a comprehensive professional development program
- Goal 3: Prioritize the well-being of our people for work-life fulfillment
  - Obj 1: Ensure employment and benefit practices enable ongoing employee support

#### **Our mission:**

To accelerate ecological restoration through conservation finance, enabling climate resilience for ecosystems and communities.