

# **Forest Enhancement Society of BC**



**2018/19**

## **ANNUAL SERVICE PLAN REPORT**

**July 2019**



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## Board Chair's Accountability Statement



The Forest Enhancement Society of BC *2018/19 Annual Service Plan Report* compares the corporation's actual results to the expected results identified in the *2018/19 - 2020/21 Service Plan* created in February 2018. I am accountable for those results as reported.

A handwritten signature in black ink, appearing to read "Wayne Clogg".

Wayne Clogg  
Chair, Board of Directors  
Forest Enhancement Society of BC

## Table of Contents

Board Chair's Accountability Statement.....	3
Chair Report Letter.....	5
Purpose of the Annual Service Plan Report .....	6
Purpose of the Organization .....	6
Strategic Direction.....	6
Operating Environment .....	7
Report on Performance.....	8
Financial Report .....	16
Discussion of Results.....	16
Resource Summary .....	17
Financial Statements and Independent Auditors' Report .....	18
Appendix A – Additional Information .....	19
Corporate Governance .....	19
Organizational Overview .....	19
Contact Information .....	20

## Chair Report Letter

This Report covers the Service Plan period April 1, 2018 to March 31, 2019.

I am pleased to share the work accomplished through the Forest Enhancement Society of BC (FESBC) in this report. The work we do is made possible through the collaborative work of our Society, through the hard work of proponents on the ground, and through the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD), who set priorities.

We are working together to achieve B.C. government priorities related to the health of our forests, including:

- Increasing participation of Indigenous communities in the forest economy,
- Assisting with wildfire recovery efforts and risk reduction,
- Contributing to the achievement of greenhouse gas emission reduction targets,
- Improving habitat for wildlife,
- Improving the recovery of fibre, and
- Adding to the environmental sustainability of B.C.'s natural resources.

To support openness, transparency, and effective service delivery, FESBC continued to develop and build on its governance and administrative systems to help deliver its mandate efficiently and effectively. Staff continued to improve processes for project proposal review, worked with proponents to help deliver previously approved projects, and continued to expand communication efforts regarding FESBC's purpose and opportunities for eligible applicants.

The focus for FESBC in 2019/20 and beyond will be to continue to identify and approve high-value forest enhancement projects that meet our objectives and contribute to a strong and sustainable provincial economy.

I want to thank the FESBC Board of Directors, and particularly the staff at FESBC for their enthusiastic commitment to our Society, which is key to the success of this important program.



Wayne Clogg  
Chair, Board of Directors  
Forest Enhancement Society of BC

## Purpose of the Annual Service Plan Report

The Annual Service Plan Report (ASPR) is designed to meet the requirements of the [Budget Transparency and Accountability Act](#) (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, the Crown corporation's board is required to report on the actual results of the Crown's performance related to the forecasted targets documented in the previous year's Service Plan.

## Purpose of the Organization

At inception in 2016, FESBC was a non-profit society, with its enabling legislation under the [Societies Act](#).

The purpose of FESBC is to advance and advocate for the environmental and resource stewardship of British Columbia's forests by funding projects that:

- Prevent and mitigate the impact of wildfires,
- Improve damaged or low-value forests,
- Improve habitat for wildlife,
- Support the use of fibre from damaged and low-value forests, and
- Treat forests to improve the management of greenhouse gas (GHG) emissions.

FESBC provides funds to government agencies or third parties to implement projects and treatments on the land base, working closely with service delivery partners to ensure the implementation is timely, efficient, and provides value for money.

## Strategic Direction

The strategic direction set by Government in 2017/18 and expanded upon in the [Board Chair's Mandate Letter](#) from the Minister Responsible in 2018 shaped the [2018/19 Service Plan](#) and the results reported in this ASPR.

The following table highlights the key goals, objectives or strategies that support the key priorities of the provincial government identified in the 2018/19 Forest Enhancement Society of BC Service Plan:

Government Priorities	FESBC Aligns with These Priorities by:
Delivering the services people count on	<ul style="list-style-type: none"><li>• Prevent and Mitigate the Impact of Wildfires (Goal 1)</li></ul>
A strong, sustainable economy	<ul style="list-style-type: none"><li>• Improve Damaged or Low-Value Forests (Goal 2)</li><li>• Improve Habitat for Wildlife (Goal 3)</li><li>• Support the Use of Fibre from Damaged or Low-Value Forests (Goal 4)</li><li>• Treat Forests to Improve the Management of Greenhouse Gases (Goal 5)</li></ul>

## Operating Environment

FESBC is focused on achieving the B.C. government's priorities outlined in the [January 2018 Mandate Letter](#). FESBC's operations, which extend to all parts of the province, help support the Government in delivering on two of the three key commitments: delivering the services that people count on and building a strong, sustainable economy that works for everyone.

FESBC places priority on those projects which align with these key commitments and supports both the Government's strategic priorities and leadership in achieving its climate change targets. FESBC supports projects consistent with both federal and provincial climate change goals that are also eligible for recovery of funds under the Federal Low Carbon Economy Leadership Fund.

Significant FESBC funding has been allocated to projects supporting wildfire recovery activities – primarily the reforestation of areas impacted by wildfires. As shown by the devastating 2017 and 2018 fire seasons, climate change will continue to significantly influence wildfire activity. As such, support for proactive fuel management treatments and [FireSmart](#) projects, which aim to mitigate the negative impact of wildfire on B.C. communities, will continue to be priorities for the Board.

As a result of the last two severe wildfire seasons and other factors, including limited contractor capacity, some of the projects in the 2018/19 Annual Service Plan experienced delayed implementation. Projects less impacted by these external factors were easier to initiate, resulting in enhanced rural economic development, increasing the value of forest fibre, contributing to reconciliation by increasing Indigenous community participation in the forest economy, improving future timber supply, improving habitat for wildlife, and supporting the environmental sustainability of B.C. forests.

## Report on Performance

With a delivery framework largely in place, the focus of the FESBC Board and staff has been to identify and deliver high-value forest enhancement projects. In 2018/19 FESBC received 130 proposals for projects aligned with the five goals which drive the Society's purpose. These applications totalled more than \$119M in requested funding.

FESBC Priorities	2018/19 Applications	Value of Applications
Wildfire Risk Reduction	86 applications	\$62.77M
Forest Carbon Initiatives (including enhanced fibre utilization)	31 applications	\$50.45M
Improving Low Value Forests	10 applications	\$4.44M
Improving Wildlife Habitat	2 applications	\$1.30M
Supporting the Use of Fibre	1 application	\$150,000

The value of project completions on the ground in 2018/19 was \$25.5 million, compared to \$9.6 million in 2017/18 and \$1.1 million in 2016/17. The acceleration of project completion was significant, albeit less than what was originally forecasted.

Nine project approvals were expedited to allow proponents to immediately utilize forest fibre that otherwise would have been slash burned—thus avoiding carbon emissions. These projects are expected to increase utilization of forest fibre by up to 20% (approximately one million cubic metres or 700,000 tonnes of CO<sub>2</sub>e) based on current harvest plans. These projects also have the added benefit of addressing the use of waste wood which has concerned local citizens in the past. As a result of these projects, cull piles are now smaller and less material is burned as waste in cutblocks.

2018/19 highlights include:

- Zero reported safety incidents related to FESBC projects,
- Significant expansion of the FESBC website content, development of a comprehensive application guide and an electronic intake portal,
- Approximately 30% of the projects funded by FESBC are led by First Nations proponents or have significant First Nations participation,
- FESBC funding enabled over 85 communities (incorporated, unincorporated, Indigenous, mountain resorts) to reduce wildfire risks to their citizens, infrastructure, residential homes and commercial investments,
- Carbon sequestration projects funded by FESBC resulted in the planting of close to 88,000 trees and the sowing of another 11.6 million trees to be planted in 2019/20,
- Future timber supply was improved through the fertilization of close to 9,200 ha,
- FESBC funding supported reduction of carbon emissions by enhancing the utilization of 130,000 cubic meters of fibre that would have otherwise been burned (while also creating jobs and reducing smoke).

As of March 12<sup>th</sup> 2019, FESBC had approved 168 projects valued at \$180 million since inception:

FESBC Priorities	Number of Projects	Approved (\$ millions)
Wildfire Risk Reduction	86	\$38.45
Improving Low Value Forests	27	\$23.41
Wildlife Habitat Improvement	13	\$3.71
Supporting the Use of Fibre	11	\$4.11
Forest Carbon Initiatives (including enhanced fibre utilization)	31	\$110.31
TOTAL	168	\$179.99

## Goal 1: Prevent and Mitigate the Impact of Wildfires

Fire is a natural and essential ecological process in British Columbia's forests. Balancing the potential benefits and risks of wildfire is becoming increasingly challenging, especially within the context of climate change. FESBC has worked collaboratively alongside provincial agencies, local governments, and Indigenous and rural communities to support risk reduction and impact mitigation associated with wildfires.

### Objective 1.1: Enhance wildfire risk reduction activities for B.C. communities

#### Key Highlights:

- As a member of the BC FireSmart Committee (which includes FLNRORD (BC Wildfire Service), Emergency Management BC, First Nations Emergency Services Society of British Columbia, Union of BC Municipalities, Fire Chiefs Association of British Columbia, British Columbia Office of the Fire Commissioner, and FireSmart) FESBC supported the expansion and delivery of the FireSmart program for 190 local governments (including 162 municipalities and 28 regional districts ) and 208 First Nations communities across the province. Approximately 85 communities conducted wildfire risk reduction planning and/or treatments in forested areas. FESBC funding enabled these communities (incorporated, unincorporated, Indigenous, mountain resorts) to reduce wildfire risks to their citizens, civic infrastructure, residential homes and commercial investments.
- FESBC effectively delivered funds in partnership with UBCM to complete wildfire prevention planning and fuel management treatments near communities and infrastructure.

<b>Performance Measure</b>	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Target</b>	<b>2018/19 Actuals</b>	<b>2019/20 Target</b>	<b>2020/21 Target</b>
1.1 FESBC funding committed to wildfire prevention planning and fuel management treatments near communities and infrastructure	\$0.0 Million*	\$0.0 Million*	\$2.5 Million	\$3.2 Million	n/a	n/a

\*This metric measures the amount of FESBC funding allocated to the UBCM-administered program called the SWPI. Prior to 2018, the SWPI funded fuel management projects within the 2 km perimeter of communities (the Wildland-Urban Interface (WUI)). In early 2018, the SWPI was replaced by the CRI program.

## Discussion

FESBC actively collaborated as a member of the BC FireSmart Committee and in the implementation of the [Community Resiliency Initiative](#) (CRI). Communities have expressed a significantly increased desire to mitigate wildfire risks to protect citizens, residences, commercial values, civic infrastructure, cultural features, recreational opportunities, wildlife habitat, and emergency evacuation routes. As such, the implementation of fuel management projects was greater than originally anticipated under the Service Plan.

In order to assist the Province and UBCM with the transition from the [Strategic Wildfire Protection Initiative](#) (SWPI) to CRI, FESBC began funding fuel management treatments within the 2 km Wildland-Urban Interface during the 2018/2019 fiscal year.

Going forward, the performance measure will be based on the number of hectares treated rather than the dollars spent.

## Objective 1.2: Improve wildfire resilient ecosystems

### Key Highlights

- The planning and treatments that occurred in the 85 communities also contributed to achieving resilient forested landscapes adjacent to those communities.

<b>Performance Measure</b>	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Target</b>	<b>2018/19 Actuals</b>	<b>2019/20 Target</b>	<b>2020/21 Target</b>
1.2 Approved funding applied towards planning and completion of operational treatments to meet landscape-level fire management objectives	\$0.5 Million	\$3.2 Million	\$3.0 Million	\$3.0 Million	n/a	n/a

## Discussion

At the time of the creation of the Service Plan, the goal was to measure FESBC-funded fuel management planning and treatments outside of the 2 km WUI perimeter around communities. However, early in the 2018/19 fiscal year, FESBC began funding wildfire risk reduction projects both inside and outside of the 2 km WUI. This funding enabled 85 communities to create Community Wildfire Protection Plans and conduct fuel management treatments.

For 2019/20 and beyond, the performance measure will be based on the number of hectares treated rather than the dollars spent.

## Goal 2: Improve Damaged or Low-Value Forests

The impacts of catastrophic disturbances and the resulting constraints to timber supply are reducing the overall forest asset value in the Province. FESBC believes in supporting collaborative initiatives that will ultimately improve damaged, low-value forests for the long-term, lasting benefit of British Columbians.

### Objective 2.1: Improve sustainable and reliable timber supply

#### Key Highlights

- FESBC supported 19 projects across the province including those in: Terrace, Prince George, Kamloops, Merritt, and the North Island, Cariboo-Chilcotin and Okanagan regions.
- One of the most significant projects to improve timber supply is the work being done by Central Chilcotin Restoration Ltd., a First Nations owned and operated company. This multi-year project meets several FESBC purposes. The aim of this project is to rehabilitate significant areas of dead (mountain pine beetle) forests in the Chilcotin area west of Williams Lake, B.C.

Performance Measure	2016/17 Actuals	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
2.1 Funding provided to forest enhancement projects for low-value and damaged forests, as guided by FLNRORD's integrated investment planning processes	\$0.0 Million	\$0.9 Million	\$3.1 Million	\$5.1 Million	n/a	n/a

## Discussion

Funding variance is primarily a result of more progress on some of the larger projects than anticipated when the targets for the 2018/19 Service Plan were developed.

The partnership with local Indigenous communities has been very successful while simultaneously preparing for future timber supplies. These forests are working as landscape-level fuel breaks to protect local communities. Very good project progress was made this year.

Activities included the salvage harvesting of mountain pine beetle and fire-impacted stands, spacing of second growth stands, cone and seed collection, silviculture strategy development, and research.

For 2019/20 and beyond, the performance measure will be based on the number of hectares treated rather than the dollars spent.

### **Goal 3: Improve Habitat for Wildlife**

British Columbia's wildlife is diverse and abundant. Some wildlife populations and their habitats, however, are in decline due to factors such as habitat loss, increasing human population, resource development and climate change. While many of the forest enhancement projects funded by FESBC effectively achieve multiple purposes, including wildlife habitat improvement, FESBC recognizes a key opportunity to leverage its funding with existing organizations having a primary mandate and expertise in improving habitat for wildlife in the province.

#### **Objective 3.1: Improve terrestrial wildlife habitat**

##### **Key Highlights**

- FESBC facilitated many provincial (multi-regional) projects aimed at enhancing the habitat of threatened or at-risk species including amphibians in southwestern B.C., bats, moose (central B.C.), mountain caribou, wolverines (Columbia Mountains) and rattlesnakes.
- Co-funded projects enhanced wildlife habitat in the Kootenays, Lower Mainland, Vancouver Island, Thompson-Nicola, Cariboo, Skeena, Okanagan and the Omineca/Peace regions.

<b>Performance Measure</b>	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Target</b>	<b>2018/19 Actuals</b>	<b>2019/20 Target</b>	<b>2020/21 Target</b>
3.1 Co-funding with 3rd parties with technical subject matter expertise	\$0.6 Million	\$1.3 Million	\$2.0 Million	\$0.3 Million	\$2.0 Million	\$2.0 Million

##### **Discussion**

FESBC-funded wildlife habitat enhancement is largely directed through the Habitat Conservation Trust Foundation (HCTF).

2018/19 actual expenditure shows \$1.7 million less than targeted, primarily due to a timing difference, for accounting purposes, in the amount of \$1.4 million. This expense will be recognized in subsequent year(s).

The HCTF and FESBC have a shared objective in the enhancement of wildlife habitat in British Columbia. HCTF and FESBC are both funding organizations who provide funding to third parties to help achieve this shared objective. A letter of agreement (LOA) between FESBC and HCTF outlines the co-funding commitment from FESBC and the processes the organizations use to partner in the project selection, approval, and delivery. Once the jointly approved HCTF/FESBC co-funded projects have been selected, subsequent grant administration is managed by HCTF.

## **Goal 4: Support the Use of Fibre from Damaged or Low-Value Forests**

Supporting the use of fibre can help to reduce GHG emissions and encourages significant industrial activity in rural economies, creating employment and embracing innovation and diversification. FESBC believes that damaged and low-value stands can be restored to a more productive forest, creating economic opportunities while concurrently supporting climate change goals and objectives.

### **Objective 4.1: Encourage diverse and innovative utilization of fibre to support employment and reduce GHG emissions**

#### **Key Highlights**

- 13 projects utilized residual fibre which would otherwise have been burned. These projects were primarily focussed on bioenergy (mostly wood pellets, but also some was used to generate electricity), and also used to make long-lasting, cement-board siding for residential homes.

Performance Measure	2016/17 Actuals	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
4.1 Annual funding for projects focusing on residual fibre utilization	\$0.0 Million	\$0.2 Million	\$1.2 Million	\$0.0 Million	n/a	n/a

#### **Discussion**

In 2018/19, 13 projects utilized residual fibre that would otherwise be burned, and contributed to the achievement of Objective 4.1. However, these projects were eligible for federal funding under the [Low Carbon Economy Leadership Fund \(LCELDF\)](#), and as such they are accounted for under Goal 5.

For 2019/20 and beyond, the performance measure will be cubic metres utilized.

## Goal 5: Treat Forests to Improve the Management of GHG Emissions

British Columbia has vast forests that can be used to help sequester carbon and defer/avoid the GHG emissions to help reduce the impacts of climate change. Due to trees' ability to absorb and store carbon as they grow, forests can positively affect atmospheric concentrations of carbon dioxide and other greenhouse gases that are factors in causing the climate to change.

### Objective 5.1: Sequester atmospheric carbon and reduce emissions from forest activities

#### Key Highlights

- Considerable success was achieved this year with the reforestation of significant wildfire damaged areas throughout B.C., and Indigenous communities were involved in many of the related activities. FESBC funding planted 87,890 trees and sowed another 11,574,070 seedlings to be planted in 2019/20.
- Many benefits resulted from this reforestation effort, including soil stabilization, water quality improvement and habitat enhancement in addition to the employment and socioeconomic benefits associated with local contractors being employed in communities adjacent to or within areas impacted by catastrophic wildfires in 2017.

Performance Measure	2016/17 Actuals	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
5.1 FESBC funding of carbon sequestration and reduced emissions projects in alignment with the FCI to support provincial targets.	\$0.0 Million	\$4.0 Million	\$25.5 Million	\$13.8 Million	n/a	n/a

#### Discussion

Projects can contribute to the achievement of Goal 5 in three ways:

1. Planting trees in B.C.'s forests that otherwise would not be reforested.
2. Fertilizing trees to make them grow faster.
3. Avoiding carbon emissions by utilizing post-harvest fibre that otherwise would be burned.

Much of the variance from the original 2018/19 service plan target can be attributed to two causes. The first is due to difficulty in locating suitable areas for reforestation that did not otherwise have a reforestation obligation.

FESBC funded two large multi-year reforestation projects, one in the Cariboo that focused on wildfire restoration, and the other a provincial initiative focused on areas without reforestation obligations. The province-wide project was slower to start and continues to encounter challenges to find, prescribe and ultimately plant enough areas to meet the forecasted target.

Secondly, the expedited approval of some funding in December 2018 was intended to capture a significant opportunity during the winter logging season in the interior. While the projects did start and produce volume, the quantity of volume was less than forecasted. This reduced volume was due to major licensees having to change their harvesting plans to adapt to a rapidly declining lumber market. These fourth quarter changes disrupted plans to utilize forest residuals and contractor capacity to handle the volume of residuals originally forecasted.

Going forward, FESBC intends to primarily direct funding to enhance utilization of residual forest fibre that would otherwise be burned. This fibre will assist secondary fibre users, including bio-energy products such as electricity generation and wood pellets for export.

## **Financial Report**

KPMG has completed a financial audit for the fiscal year ending March 31<sup>st</sup> 2019. This Audit Findings Report is appended.

## **Discussion of Results**

FESBC's revenue recognition policy is set out in the attached financial statements and is linked to expenditures. Operating expenditures have been relatively constant over the past two fiscal periods. Grants issued and related administration have increased significantly since FESBC's inception in 2016. These increases were anticipated in the initial years of operation as part of FESBC's life cycle, however actual results were less than targeted due to reasons outlined below in the Variance and Trend Analysis section.

## Resource Summary

Core Business Area (\$m)	2017/18 Actual	2018/19 Budget	2018/19 Actual	2018/19 Variance
<b>Operating Revenue</b>				
Contribution from Province	9,432	36,575	23,798	(12,777)
Recoveries from Province	0	0	0	0
Other Income & Recoveries	2,230	3,340	3,839	499
<b>Total Revenue</b>	<b>11,662</b>	<b>39,915</b>	<b>27,637</b>	<b>(12,278)</b>
<b>Operating Expenses</b>				
Contracted Services				
Provincial Services				
Grants	9,617	37,247	25,446*	(11,801)
Administration	2,033	2,668	2,181**	(487)
Capital Asset Amortization	12	0	10	10
<b>Total Expenses</b>	<b>11,662</b>	<b>39,915</b>	<b>27,637</b>	<b>(12,278)</b>
<b>Net Income from Operations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital Expenditures</b>	<b>18</b>	<b>0</b>	<b>35</b>	<b>35</b>
<b>Total Liabilities (even if zero)</b>	<b>227,225</b>	<b>183,492</b>	<b>208,698</b>	<b>25,206</b>
<b>Accumulated Surplus/ Retained Earnings (even if zero)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\*Grants include purchases of goods and services from the province in the amount of \$7.4 million.

\*\*Administration includes \$385,000 for secondment of employees.

## Variance and Trend Analysis

The life-cycle of FESBC expenditure of funds received to date is expected to follow a bell-shaped curve. That is, slow initial start, middle years with high expenditures, followed by a significant decline in expenditures in the latter years.

The service plan targets were ambitious. However, project delivery has and will continue to be uncertain due to the proponent-driven model for FESBC funding deployment and other external factors:

1. The largest variances are related to project completion. Most of the funded treatments on the land base are season-sensitive (e.g. tree planting can only be done during a certain window). There are a number of factors that contributed to projects not getting completed as expected:
  - a. Unprecedented wildfire response in 2017 and 2018 took resources from both the private and public sectors.
  - b. Contractor capacity in B.C. (staff and equipment) have not yet been built up to match the demand for all the work that needs to be done.
  - c. Many project delivery partners are new to providing large-scale forestry services (e.g. small local entrepreneurs, First Nations companies).
2. FESBC re-deployed some redeemable GIC's in early 2019 during an interest rate spike. About \$80 million is now locked-in at rates that are higher than previously forecast for future years. For the year past, interest income variance is attributable to higher than expected rates on variable rate bank accounts as well as higher than expected deposit balances in those accounts.

## Risks and Uncertainties

The same factors that impacted past performance will continue to be risks, particularly if the contractor community does not have the economic confidence to invest to further increase staff and equipment in order to increase the overall capacity to enhance B.C.'s forests.

## *Financial Statements and Independent Auditors' Report*



2019-03-31 Forest  
Enhancement Society

## Appendix A – Additional Information

### ***Corporate Governance***

The Board of Directors plays a central role in the leadership of any organization. While the board may hire management to conduct day-to-day operations, the board is ultimately responsible to ensure the organization is successful and achieves its mandate. Under the new *BC Societies Act*, the Directors must “manage, or supervise the management of, the activities and internal affairs of the society”.

In carrying out their responsibilities, Directors must adhere to two legal duties: the first, commonly known as the fiduciary duty, requires Directors to act honestly, in good faith, and in the best interests of the society. In the context of a government-mandated society, there is a need to balance achievement of the mandate with a consideration of other key stakeholders. The second duty is called the duty of care, which requires Directors to exercise the care, diligence, and skill that a reasonably prudent investor would exercise in making investments in light of the purposes and distribution requirements of FESBC. A sound governance scheme ensures that Directors are able to meet the standards required under the duty of care.

The Board fulfills its duty by delegating to the Executive Director responsibility for the day-to-day operations of FESBC. Directors serve part time and the Board’s role is one of governance and oversight of FESBC.

The Board’s overall governance role involves a wide range of responsibilities, including approving FESBC’s multi-year strategic plan and reviewing it annually, approving annual operating plans and budgets, monitoring FESBC’s performance, ensuring management is qualified, reviewing FESBC’s material risks, and overseeing a succession planning process to ensure continued leadership.

The Board is committed to conducting business in a legal and ethical manner.

The FESBC Board meets on an as needed basis several times each year.

### ***Organizational Overview***

In February 2016, the B.C. Government announced the formation of a new organization called the Forest Enhancement Society of BC (FESBC). At the time of its formation, the BC Government provided an initial contribution of \$85 million to the Society. In February 2017, an additional \$150 million grant was received from the Government under its Forest Carbon Initiative.

The purposes of the Forest Enhancement Society of British Columbia are:

- A. To advance environmental and resource stewardship of British Columbia’s forests by:
  - i. preventing and mitigating the impact of wildfires;
  - ii. improving damaged or low value forests;
  - iii. improving habitat for wildlife;
  - iv. supporting the use of fibre from damaged and low value forests; and

- v. treating forests to improve the management of greenhouse gases.
- B. To advocate for the environmental and resource stewardship of British Columbia's forests.
- C. To do all such other things as are incidental and ancillary to the attainment of the foregoing purposes and the exercise of the powers of the Society.

### ***Contact Information***

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