

2022-23

# ANNUAL REPORT



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# MESSAGE FROM THE AND THE PRESIDENT



Fiscal year 2022-2023 was marked by the long-awaited return to normalcy in our social and professional activities. Throughout, FPIInnovations was committed to its role of honest broker in support of all stakeholders in the forest sector. The organization has continued its work towards realizing the maximum value from forest fibre and delivering results that will improve the sector while contributing to a reduction in the country's carbon footprint.

Over the past year, FPIInnovations continued to work diligently to increase service to Members, partners, and stakeholders with the launch of an improved engagement model. The model facilitates increased engagement and collaboration between all parties as the sector adapts to the new realities dictated by transformed economic and climatic environments.

## A targeted approach

This commitment to collaboration has resulted in a focused approach to identifying and developing promising research projects and to creating new product platforms for future markets. To that end, the FPIInnovations' team undertook an extensive brainstorming process aimed at reducing the total number of projects, selecting those that will result in a greater overall impact. The objective was simple: better meet the research needs of the sector and create value, while offering higher economic and environmental value.

With this in mind, we opted for a similar approach for the Strategic Technical Advisory Committee (STAC) meetings, bringing multiple sectors together at the same time in a hybrid meeting format, to create increased collaboration and understanding between a diverse set of stakeholders.

## Proven results

We are particularly proud this year of the work accomplished by our research teams, which generated impressive results in the following areas:

- Measuring **the substitution and carbon intensity** via a platform for assessing the potential reduction of greenhouse gas (GHG) emissions when replacing conventional products, typically of fossil origin, with forest-based products;

# CHAIR OF THE BOARD AND CEO

- **Lime kiln decarbonization** strategy aimed to significantly reduce greenhouse gas (GHG) emissions from kraft pulp mills by using local forest residues to replace fossil fuels that are currently used to power kilns;
- Validation of a **lignin-modified asphalt pavement**, a green technology that could improve the performance of Canadian roads by replacing a percentage of the bitumen used in pavements with lignin, a natural glue found in the wood of Canadian forests;
- Publication of a **wood building modelling guide**, which involved more than 100 international collaborators, and that helps to reduce the environmental footprint through the digitized design and analysis of wood structures;
- **Ongoing research on wildfire** and on ways of helping people to be better prepared, while putting responder safety first.

Work continues...

Thanks to the richness of the forest resource and its incredible potential for producing biobased products, the forest industry offers significant opportunity to contribute to Canada's climate change objectives.

And as climate change increasingly reminds us that we need to act quickly, we continue our work with determination and are ready to face the challenges ahead. All of these efforts would not be possible without the amazing support of our members, partners, and in particular, our personnel, and we sincerely thank each of you for it.

The next year has already begun, and we can already envision promising results. But there is still work to be done, as we continue to work on behalf of our members, society, and the environment.

**Kevin Edgson**

Chair of the Board of Directors

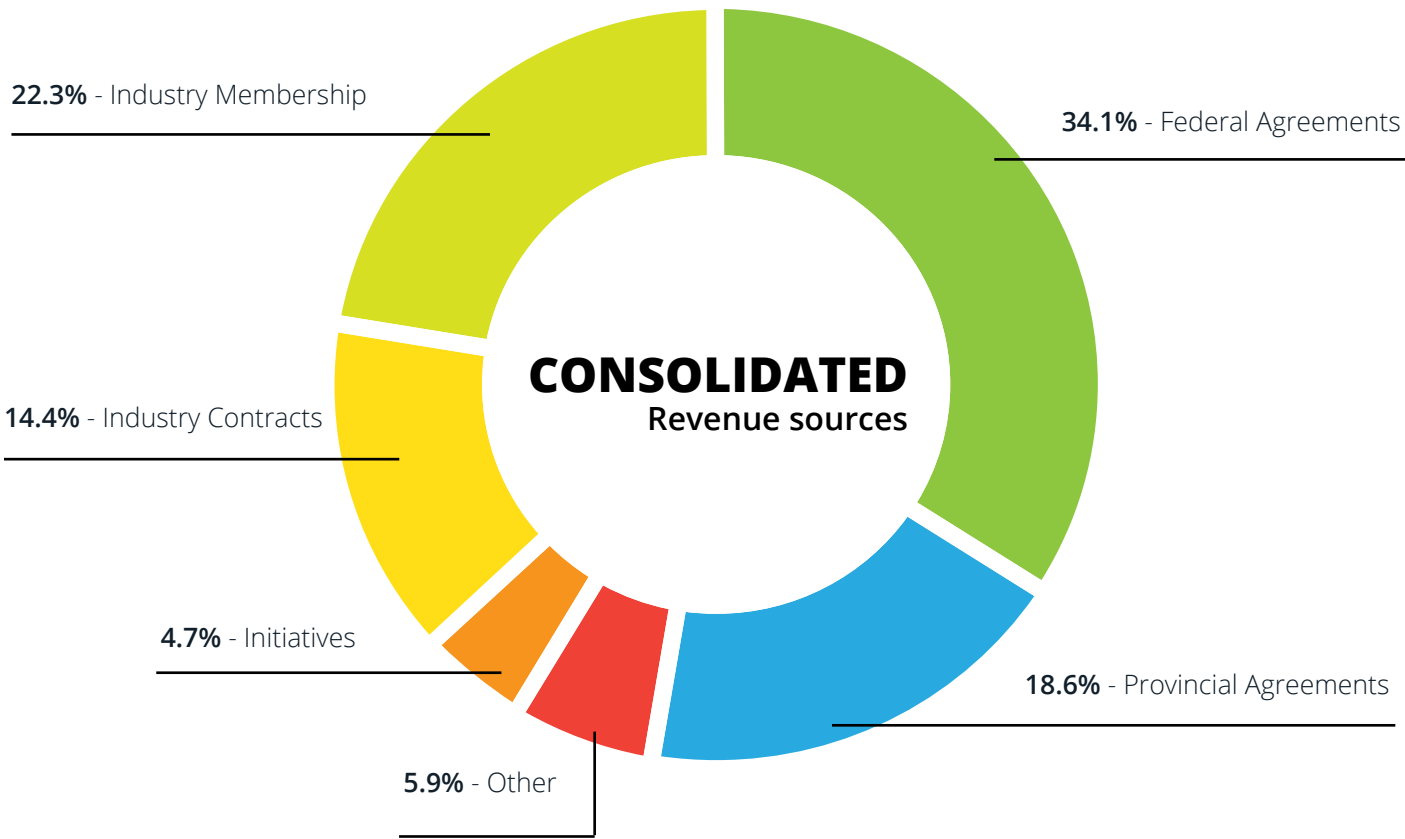
**Stéphane Renou**

President and Chief Executive Officer



# FINANCIAL RESULTS

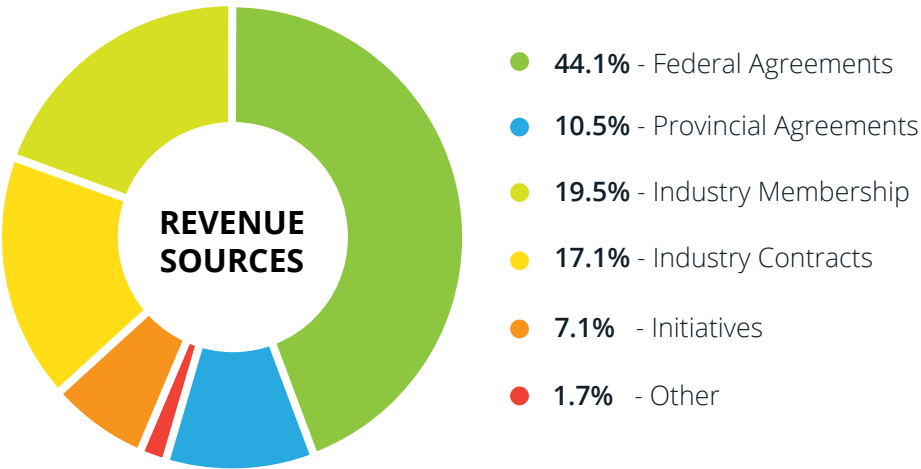
## AS AT MARCH 31, 2023



REVENUES		OPERATING MARGIN	
\$66.6M	\$65.1M	\$2.4M	\$1.0M
2022 ACTUAL	2023 ACTUAL	2022 ACTUAL	2023 ACTUAL

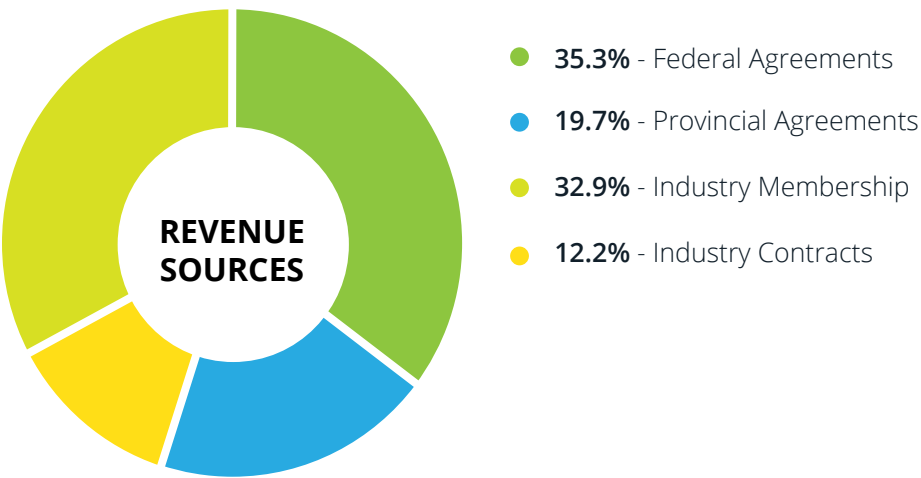
Effective April 1, 2021, the Organization chose to record contributed materials and services. Consequently , revenues and operating expenses for the year ended March 31, 2022 have been restated and have increased by \$1.1M without impact on the net assets.

### PULP, PAPER & BIOPRODUCTS



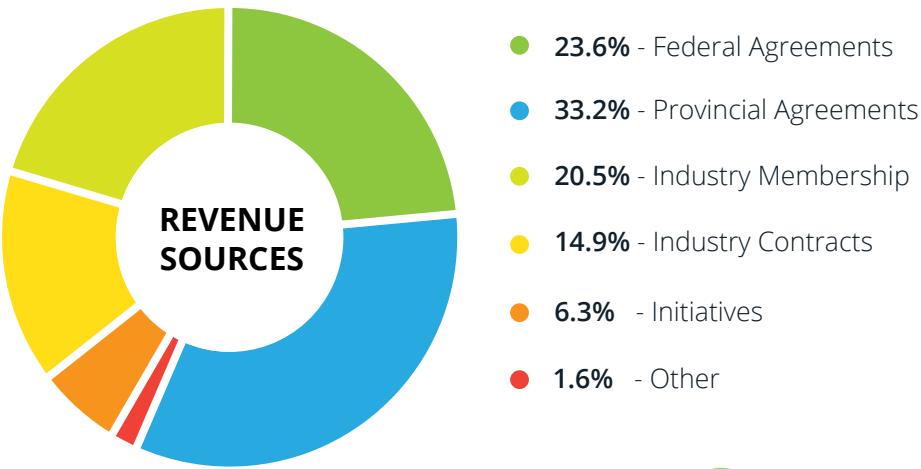
REVENUES	
\$27.0M	\$27.2M
2022 ACTUAL	2023 ACTUAL

### WOOD PRODUCTS



REVENUES	
\$19.2M	\$16.9M
2022 ACTUAL	2023 ACTUAL

### FOREST OPERATIONS



REVENUES	
\$17.1M	\$17.9M
2022 ACTUAL	2023 ACTUAL

# OUR MEMBERS AND PARTNERS

## AS AT MARCH 31, 2023

### INDUSTRY MEMBERS

Acadian Timber / AT Limited Partnership  
Alberta Newsprint Company  
Alberta-Pacific Forest Industries Inc. (Al-Pac)  
Atco Wood Products Ltd.  
Bois D'oeuvre Cedrico inc.  
Boisaco inc.  
Boucher Bros. Lumber Ltd.  
Canadian Kraft Paper Industries Inc. (CKPI)  
Canfor Corporation  
Canfor Pulp Ltd.  
Carrier Lumber  
Cascades Containerboard Packaging  
CelluForce  
Chaleur Forest Products LP  
Chantiers Chibougamau  
Coopérative forestière Ferland-Boilleau  
Delco Forest Products  
Domtar Corporation  
Dunkley Lumber Ltd.  
Element5 Limited Partnership  
Forex Inc.  
Georgia-Pacific  
Groupe Crête  
Groupe Lebel  
Harmac Pacific (Nanaimo Forest Products Ltd)  
Interfor - Eastern Operations  
Irving Forest Services (J.D. Irving, Limited)  
Kruger Inc.  
Louisiana-Pacific Canada Ltd.  
Matériaux Blanchet Inc.  
Mercer International Inc.  
Millar Western Forest Products Ltd.  
Northland Forest Products Ltd.  
Paper Excellence  
Paper Excellence Canada Holdings Corporation  
Performance BioFilaments Inc.  
Pinnacle Renewable Energy Inc.  
Port Hawkesbury Paper LP  
Produits forestiers Arbec Inc.

Produits forestiers Petit Paris  
Promoboïs GDS  
Resolute Forest Products  
Scierie Clermond Hamel Ltee  
Scierie St-Elzéar  
Scierie St-Michel Inc.  
Sinclar Group Forest Products Ltd.  
Skeena Sawmills Ltd.  
Spray Lake Sawmills (1980) Ltd.  
Structurlam Mass Timber Corporation  
The Teal-Jones Group  
Tolko Industries Ltd.  
Vanderwell Contractors (1971) Ltd.  
West Fraser  
Western Archrib  
Weyerhaeuser Company  
WRC Timber Inc.

### AFFILIATE PROGRAM

Altair Engineering  
Arxada  
Autolog  
Barrette Structural Distribution inc.  
Bégin & Bégin inc.  
BID Group Technologies Ltd., Comact Division  
Boa-Franc Inc.  
Bois Francs Bio Serra  
Bois BSL inc.  
Boise Cascade Alljoist Ltée  
Damaboïs Inc.  
DK-Spec Inc.  
FML #1 Consortium  
Genics Inc.  
Gestion Forestiere Lacroix Inc.  
J.M. Champeau Inc.  
Lauzon, Planchers de bois exclusifs  
Les Planchers Mercier  
LRBG Chemicals Inc.  
Machinerie Lico inc.  
Maibec  
Marcel Lauzon Inc.

Mee-Toos Forest Products (Peter Ballantyne Development L.P.)  
Meubles Canadel Inc.  
Novatech Wood Protection Ltd.  
Preverco  
Produits Forestiers St. Armand Inc.  
Scierie Petit-Saguenay inc.  
Séchoir MEC Inc.  
Solutions Effecto Inc.  
Timber Specialties Co. Ltd.  
USNR  
VAB  
Viance  
Wellons Canada Corp.

### PIT GROUP

Agropur  
Armour Transportation  
Arnold Bros. Transport  
Arrow Transportation Systems  
Bison Transport  
C.A.T.  
Carmen Transportation  
Cascades Transport  
Centre de formation en transport de Charlesbourg  
Centre de formation en transport routier de Saint-Jérôme  
Centre de gestion de l'équipement roulant (Division of Ministère des Transports du Québec)  
Charger Logistics  
Christian Larocque Services Ltd.  
Eassons Transport Ltd  
Énergir  
Groupe Avantage  
Groupe Goyette  
Groupe Robert  
Groupe TYT  
Kemira  
Larocque Transport  
Linde Canada  
Loblaw Inc.  
Martin Roy Transport  
Midland Transport

Minimax Express  
Ministère des Transports, Mobilité durable et  
Électrifications des transports du Québec  
Sobeys  
Société des alcools du Québec  
Transport Canada  
Transport Jacques Auger  
Transport Matte  
Transport Robert  
Trans-West Group  
Triple Eight  
VersaCold Transportation Solutions  
Vitesse Transport  
Whitecourt Transport

### WILDFIRE OPERATIONS PROGRAM FUNDING PARTNERS

Alberta agriculture, forestry and economic  
development  
British Columbia Wildfire Service  
Northwest Territories Environment and Natural  
Resources  
Saskatchewan Public Safety Agency  
SOPFEU  
Yukon Wildfire Management  
Conair Aerial Firefighting  
Coulson Group  
Genics Inc.

### GOVERNMENT PARTNERS PROVINCES AND TERRITORIES

Government of Alberta  
Government of British Columbia  
Government of New Brunswick  
Government of Newfoundland and Labrador  
Government of Nova Scotia  
Government of Ontario  
Government of Québec  
Government of Saskatchewan  
Government of Northwest Territories

### FEDERAL

Natural Resources Canada  
(Canadian Forest Service).

# OUR GOVERNANCE

## AS AT MARCH 31, 2023

### OFFICERS OF THE CORPORATION

**Kevin Edgson**  
Chair of the Board of Directors

**Stéphane Renou**  
President and CEO

**Terry Knee**  
Corporate Secretary, Governance and Compliance

**Denis Cormier**  
Vice President, Research Operations

**Shane Berg**  
BC Ministry of Forests, Lands, Natural Resource Operations and Rural Development

**Stéphane Renou**  
FPInnovations

**Robert Dufresne**  
Resolute Forest Products

**William Adams**  
Mercer International

### BOARD OF DIRECTORS

**Kevin Edgson (chair)**  
Canfor Pulp Products Inc.

**Derek Nighbor**  
Forest Products Association of Canada

**Jean-François Guillot**  
Paper Excellence

**Kathleen McFadden**  
Ministry of Natural Resources and Forestry, Government of Ontario

**Keith Carter**  
West Fraser

**Luke Drapeau**  
Canfor Corporation

**Mark Mosher**  
Irving Forest Services (J.D. Irving, Limited)

**Maxime Cossette**  
Kruger Inc.

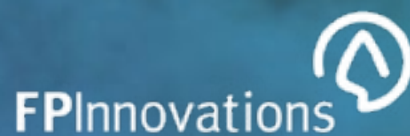
### OBSERVERS

**Glenn Hargrove**  
Canadian Forest Service, Natural Resources Canada

**Mélanie Turgeon**  
Ministry of Forests, Wildlife and Parks  
Government of Quebec



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