

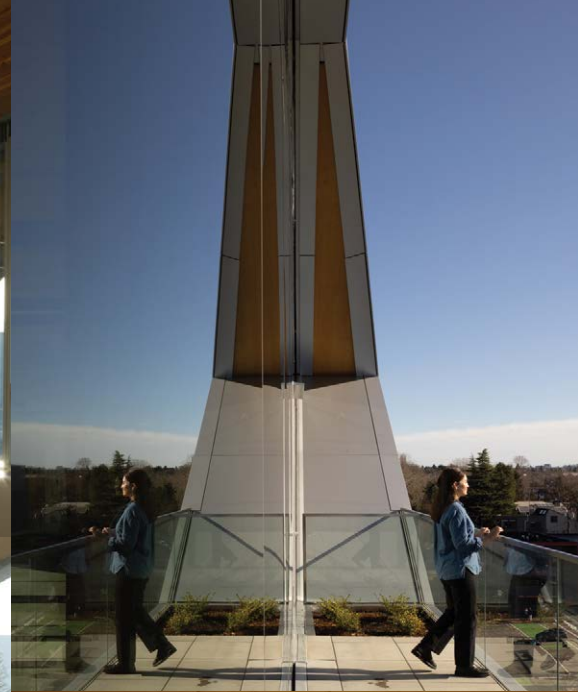


Forestry Innovation
Investment®



Forestry Innovation Investment

Year in review 2025/26



> The Hive

The Hive represents the future of low-carbon commercial construction and B.C.'s leadership in tall mass timber innovation. This landmark 10-storey mass timber office building showcases how bold design and advanced engineering can redefine sustainable urban development. The honeycomb-inspired, perimeter-braced structure delivers exceptional seismic performance and its 18-metre cross-laminated timber shear wall replaces a conventional concrete core. The Hive's warm, biophilic workplace features exposed wood, natural materials, rooftop gardens and panoramic views of the North Shore mountains and downtown Vancouver.

Learn more about this project and other innovative wood buildings across B.C. at naturallywood.com/projects.

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> Message from the Minister

Unfair U.S. tariffs and softwood lumber duties have made one thing clear: British Columbia must accelerate its efforts to position our forest sector to compete globally and win.

Forestry Innovation Investment (FII) is central to that work. Since reporting to me as Minister of Forests in summer 2025, FII has sharpened its mandate to aggressively expand B.C.'s global footprint and open new doors for B.C. forestry companies in markets around the world. I am also proud to have appointed an outstanding board, under the leadership of industry titan Rick Doman, to help guide this next chapter.

Together, we are strengthening relationships in key international markets that include Japan, China, South Korea, and Vietnam—countries that recognize the quality, sustainability and innovation behind B.C. wood products. We also opened a new FII office in the United Kingdom, creating a gateway to growing opportunities throughout Europe and the Middle East.

This work goes beyond finding new buyers. It is about positioning British Columbia as the global supplier of choice for high-quality forest products sourced from sustainably managed forests. It is about building a world-class B.C. brand rooted in innovation, Indigenous partnerships, environmental stewardship and value-added manufacturing.

At the same time, we are helping more B.C. companies compete internationally by supporting market access, advancing innovation and growing opportunities for small and medium-sized forestry businesses.

Back home, we are focused on making more in British Columbia through investments in mass timber, value-added wood manufacturing and modular housing. Our goal is clear: move beyond simply exporting raw commodities and build a forestry economy that creates more jobs, more products and more value here at home.

British Columbia's forest sector has been built by hardworking people and resourceful communities. By expanding our reach into global markets and reducing dependence on any single trading partner, we are building a forestry sector that is more competitive, more innovative and stronger for generations to come.

Honourable Ravi Parmar

Minister of Forests | Government of British Columbia



> Message from the CEO

Since its inception, Forestry Innovation Investment has been guided by a clear mandate: work with the forest sector to develop markets for B.C. forest products to strengthen the provincial economy and support communities across the sector. In these challenging times, that focus has never been more important. Diversification is essential to building a more stable and resilient future.

This work begins here at home. British Columbia can and should be the sector's best customer. FII is collaborating with industry, associations, universities, research institutions and government partners to advance innovation in wood use and support the expansion of wood building systems. We are working to take advantage of federal and provincial housing initiatives, along with evolving building codes, that are creating significant potential for mass timber and prefabricated modular construction. And we are leveraging the growing momentum to buy local, which is opening new doors for B.C.'s value-added manufacturers across the Canadian marketplace.

Internationally, FII continues to pursue a broad range of markets for B.C. wood products. This includes expanding into new segments within established Asian markets like Japan, China and Korea; pursuing fast-growing emerging markets such as Vietnam and India; and revisiting historic markets like the U.K., Europe, Australia and New Zealand, where supply shortages and rising housing demand are creating new possibilities. We are also exploring new opportunities in Mexico, the Middle East and North Africa—markets that present potential alongside shifting global trade dynamics.

B.C.'s forest sector has long been resilient, adaptive and globally connected, and today that resilience depends on further diversification. When we broaden markets, expand the range of products we supply, and use every part of our resource to its highest value, we create more stable opportunities for people and communities across the province.

FII will continue working alongside industry, First Nations and all levels of government to open doors, strengthen relationships and position B.C. wood products as the preferred choice. The people, companies and communities who drive this sector understand the importance of innovation and value creation, and throughout this report you'll see how B.C.'s forest sector continues to lead globally in quality, reliability, sustainability, and innovation.

Michael Loseth

President & CEO | Forestry Innovation Investment

> Forestry Innovation Investment

Strengthening and diversifying markets for B.C. forest products

Forestry Innovation Investment (FII) is British Columbia's market development agency for forest products. FII works with the forest industry and government to:

- develop and diversify markets for B.C. forest products at home and abroad;
- promote B.C.'s forest products and sustainable forest management practices to the global marketplace; and
- ensure that the forest sector, through innovation and strong domestic and international sales, continues to be a leading contributor to the B.C. economy.



FII develops markets for B.C. wood products here at home and around the world. This includes growing new segments within existing markets in Canada, Japan, China and South Korea; opening emerging markets in India and Vietnam; and exploring new and historic markets that show promise for the industry in the future. Initiatives are delivered through in-market activities and co-funded programs that leverage trade associations' marketing networks and expertise.

FII also works closely with B.C.'s trade and investment representatives as well as Canadian trade commissioners in select global markets. By leveraging these partnerships, FII is leading efforts to diversify B.C.'s exports to major global markets and foster greater capacity and innovation in the domestic manufacturing sector.

For more information on FII, visit bcfii.ca.

> Programs

Market Outreach

Promoting B.C. forests and products around the world

The Market Outreach program positions wood as an environmentally responsible, preferred building material and highlights B.C. as a reliable supplier of quality products from sustainably managed forests. By providing credible, fact-based information, FII ensures that audiences in B.C. and globally understand that using wood from B.C.'s sustainably managed forests can help to address climate change and advance low-carbon innovation.



Photo: West coast forest | Credit: Nik West, courtesy naturallywood.com



Photo: Bedroom set, Hong Khai Wood Co., Ltd. | Credit: FII Vietnam

Market Initiatives

Diversifying and developing markets

The Market Initiatives program leads the development of export markets and new market segments around the world. This helps to diversify the sector, reduce market risk and open new opportunities in higher-value segments of the forest economy.

Wood First

Advancing innovation and capacity in B.C.

The Wood First program works with B.C.'s manufacturing, education, training, design and construction industries, as well as government, to advance wood construction technologies and expertise in B.C. FII then leverages this leadership to promote B.C. internationally as a leading source of technology, products and expertise for the use of wood in construction, interior design and daily living.



Photo: Kelowna Airport | Credit: Lipsett Photography Group, courtesy naturallywood.com

> Key goals



Land acknowledgment

Our work involves natural resources, which are connected to many First Nations communities located in or closely associated with forests across British Columbia. We recognize First Nations connection to the forests and are grateful to those on whose traditional lands we reside, work or visit.

In the spirit of reconciliation, FII acknowledges that its head office is situated in the traditional territories of the x^wməθk^wəy^am (Musqueam), səliwətał (Tsleil-Waututh), and S^kwxwú7mesh (Squamish) Nations.

Photo: Squamish Nation Welcome Figure, Ambleside Park, West Vancouver, B.C.

Located on the traditional territory of the Skxwú7mesh Uxwumixw (Squamish Nation), this cedar carving was gifted to mark K'aya'chtn, a gathering of ocean canoes, and reflects respect for the land, animals and people.

> Working together for B.C.'s forest economy

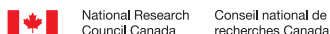
Collaboration and partnership support market growth and diversification

FII works with the forest industry, First Nations, research institutions, government and other stakeholders who share our belief in the many benefits of using and building with wood. Together, we work to showcase B.C.'s unique position as a leading global supplier of forest products, a centre of sustainable forest management practices, and internationally respected innovator in the design and manufacturing of advanced wood products.

By co-ordinating efforts and drawing on the resources and expertise of industry and government, FII is able to maximize the effectiveness of its investments and position B.C. as a leader in innovation and market diversification.

In return, FII's many partners are able to improve their reach and effectiveness through access to the naturally:wood digital communication platform, participation in trade missions, research, media library, databases and links with B.C. and federal trade representatives.


Every \$100
FII invests in recipient
funding programs
leverages \$96
in additional funding
from industry and
other partners.



➤ Market diversification strategy

Securing a more stable and resilient future for B.C.'s forest sector

FII plays a central role in strengthening the long-term stability and resilience of B.C.'s forest sector. Since 2003, FII has expanded global opportunities for B.C. forest products and helped the sector adapt to shifting global dynamics, ensuring that B.C. wood reaches a broad mix of customers who value quality, reliability and sustainability.



*Harvesting in southern interior |
Photo: Candace Kenyon, courtesy naturallywood.com*

In today's environment of global trade disruptions, fibre shortages and evolving customer needs, diversification—across markets, products and value streams—has never been more important. FII's diversification strategy focuses on five priority areas:

1. Strengthen the domestic market

Work with industry organizations to advance new building systems, fund research to address technical challenges, leverage federal and provincial housing initiatives, and support code development to maximize opportunities for wood use.

2. Expand existing international markets

Build on our already strong relationships in Japan, China and South Korea to address barriers to wood use, identify new growth segments and demonstrate how wood aligns with governments' decarbonization pathways and green building objectives.

3. Build emerging markets

Advance opportunities in fast-growing regions such as Vietnam and India, which are global furniture manufacturing hubs increasingly interested in sustainable and high-performing B.C. wood.

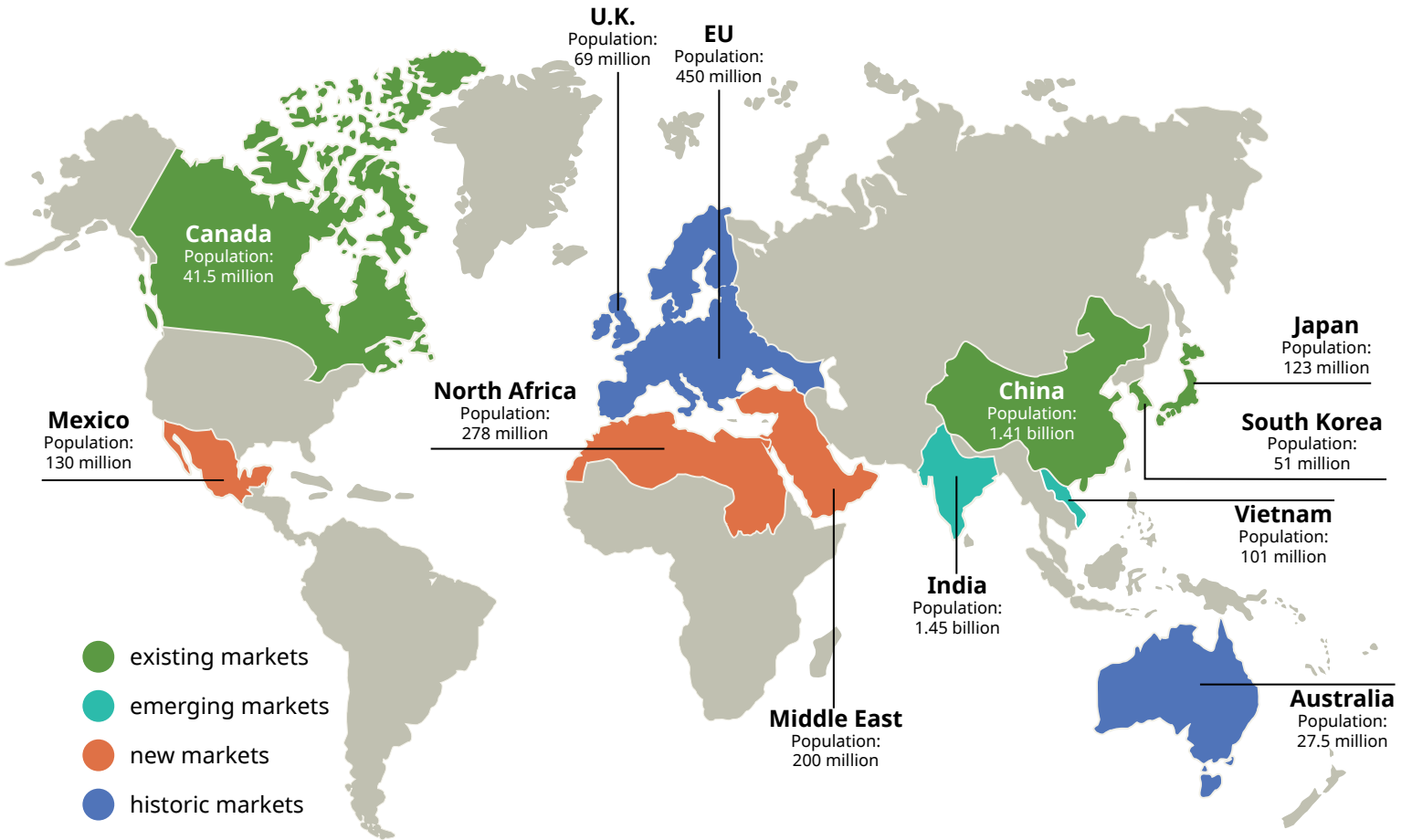
4. Revisit historic markets

Re-establish B.C.'s presence in the U.K., Europe, Australia and New Zealand, where fibre shortages and rising housing demand are creating opportunities for B.C. producers.

5. Investigate new markets

Explore opportunities in Mexico, the Middle East and North Africa to meet the needs of growing markets that value green-certified building materials.

Diversifying markets for B.C. wood products



naturally:wood®

naturally:wood is B.C.'s primary information resource on forest management, wood products and building expertise. The online platform showcases case studies, research and technical resources that reinforce B.C.'s leadership to global markets.

A unified message drives collective success

FII leads marketing efforts that position B.C.'s forest sector as a global leader in sustainable forest management and a reliable supplier of high-quality products. While industry groups promote individual products, FII elevates the sector as a whole to highlight B.C.'s competitive advantages, respond to emerging policy and environmental issues, and

ensure our leadership is recognized in both established and new markets. By providing credible, fact-based information, FII helps audiences understand how wood from B.C.'s sustainably managed forests supports climate action and low-carbon innovation. In turn, this leads international buyers to see B.C. as a source of advanced wood technologies, products and expertise across construction and design.

> British Columbia

B.C. is a global leader in advanced wood technologies and innovative building solutions.

Our competitive position continues to strengthen, with ambitious federal and provincial housing initiatives and building code changes enabling wood use in buildings up to 18 storeys—accelerating demand for wood across multi-family and non-residential construction.




Photo: Lipsett Photography Group, courtesy naturallywood.com

Here in B.C., FII programs drive the adoption of mass timber and value-added wood products, support the development of innovative wood building solutions and align domestic efforts with B.C.'s broader international market strategy.

Work by FII and its partners to advance wood use in B.C. is fundamental to expanding market opportunities for the province's forest sector for two key reasons.

First, growing domestic demand creates a stable base of sales for our forest products and value-added companies. Second, it positions B.C. as a leader in building products and wood technology that other markets can look to as they move to adopt modern, low-carbon building solutions. For these reasons, market development activities in B.C. remain an important part of FII's overall market development strategy.

Strategies for growth

Strengthen B.C.'s prefabrication value chain by investing in skills development, advancing technical resources and bringing decision-makers together to improve efficiency, competitiveness and scalability.

Expand the use of mass timber and value-added wood by supporting innovation, reducing barriers and showcasing the performance advantages of B.C. wood.

Accelerate innovation through applied research by supporting universities, industry partners and national networks to generate the evidence needed to update codes, develop new materials and strengthen building performance.

Champion B.C. forest products and practices by driving awareness about the province's sustainable forestry practices and innovative products with domestic and international buyers.

Strengthening B.C.'s prefabrication value chain

FII is supporting a unified effort to strengthen the full prefabrication ecosystem by aligning partners, accelerating innovation and building the capacity needed for a more productive construction sector.

Photo: Marcus Cantagallo, courtesy naturallywood.com

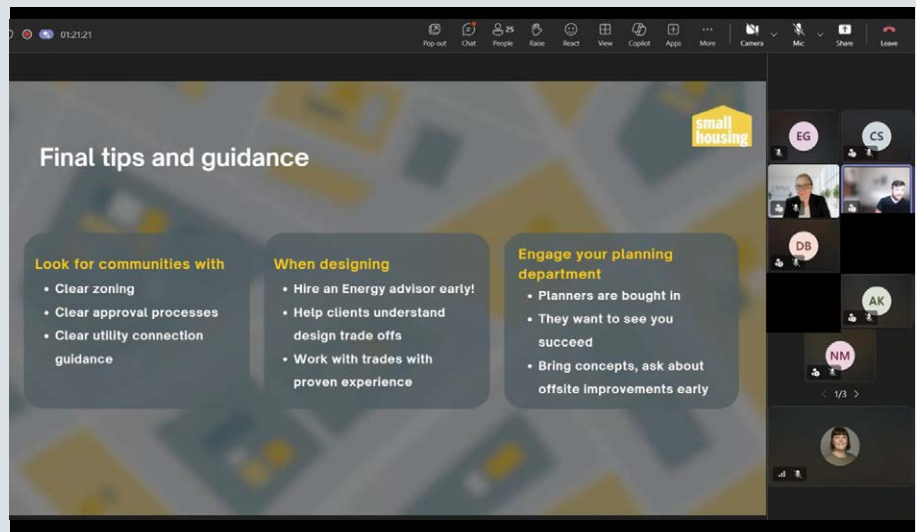
Labour shortages, soaring construction costs and the urgent demand for new housing are reshaping how British Columbia needs to build. Prefabrication using wood—from panelized wall systems to volumetric modules—offers a practical path to faster timelines and more sustainable practices. In 2025/26, FII and its partners took action to strengthen the industry value chain: training the next generation of trades and professionals, putting critical technical resources into practitioners' hands and connecting industry leaders across the province and beyond.

Building the foundation for off-site construction

With FII funding support, the British Columbia Institute of Technology (BCIT) is building the skills, knowledge and applied experience needed to advance industrialized construction by investing in complementary initiatives that link education, hands-on learning and industry engagement.

New educational program to help deliver prefabricated housing

BCIT is strengthening industry capacity for off-site construction through a new educational pathway focused on small-scale multi-unit housing. Insights gathered from 80 industry stakeholders—builders, designers and policymakers—are guiding the development of a blended course aimed at improving delivery efficiency and supporting the scalable production of prefabricated housing.



Online course, first live session on April 7, 2026



Photos: British Columbia Institute of Technology

Mass timber mock-up

With support from FII, BCIT enhanced its mass timber mock-up wall at the Zero Energy & Emissions Buildings Learning Centre with a whole-wood façade and permanent interactive signage. The façade features dowel-laminated timber panels, lignin-based membranes, wood-fibre insulation and Douglas-fir bark cladding—demonstrating the potential of locally sourced wood products to deliver durable, high-performance and low-carbon building envelopes. The mass timber mock-up, which showcases advanced wall, floor and façade assemblies, is integrated into multiple programs as a learning tool, giving students and industry professionals a tangible resource to explore high-performance building construction techniques.





Photo: FPInnovations

Supporting the adoption of prefabricated building solutions

FII funded FPInnovations to develop the *Offsite Wood Construction Handbook*, a comprehensive technical resource for building professionals that covers the full prefabrication life-cycle from design and production to logistics. FII promoted the handbook nationally through paid social media, sponsored articles in major trade magazines and a webinar with the Royal Architectural Institute of Canada. To date, the handbook has been downloaded 730 times. This work complements the naturally:wood Supplier Directory, which is a go-to industry resource that represents 13 prefabrication product and service categories and promotes 152 prefabrication wood manufacturers and service suppliers across B.C.

Introducing a purpose-built lumber grade for prefabrication

FPInnovations, with funding support from FII, developed a new lumber grade tailored for automated prefabrication. Alongside the new grade, FPInnovations also produced an implementation roadmap to update National Lumber Grades Authority glued-lumber standards, supporting the transition from innovation to industry-wide practice.

Showcasing prefabrication leadership

A technical tour organized by the University of British Columbia's Centre for Advanced Wood Processing helped accelerate industry uptake of advanced prefabrication and mass timber practices by providing direct exposure to proven, scalable manufacturing operations. Fourteen participants—from prefabricators and contractors to educators, architects and builders—visited leading operations across B.C. and Alberta to see how productivity gains are being achieved through automation and integrated production.

Participants visited Paradigm, Spearhead, Kalesnikoff and other manufacturers to see how they are scaling production and investing in automation to increase productivity. The tour also strengthened industry relationships and equipped participants with practical strategies to implement within their organizations.

Highlighting the importance of connecting design, fabrication and data early in a project, architectural firm MGA completed life-cycle assessment analyses on the Telmexw Awtexw Healing Centre prefabricated mass timber housing prototype—designed with flexible internal configurations. The case study showed that when design models better reflect how buildings are actually fabricated, embodied carbon estimates are more accurate and easier to apply across repeat builds.



Photo: MGA

The Telmexw Awtexw Healing Centre prefabricated mass timber housing prototype was used to evaluate building information modelling to life-cycle assessment workflows and illustrate how integrated design and manufacturing can support scalable, low-carbon housing.



Expanding the use of mass timber and value-added wood across sectors

FII is strengthening industry capacity and opening new pathways for B.C. products in high-performance construction.

FII supports initiatives that expand the use of mass timber and value-added wood products across residential, commercial and industrial markets. By investing in technical resources, design innovation and manufacturer competitiveness, FII is helping decision-makers across the value chain understand the performance, cost and carbon advantages of wood while reducing barriers to adoption.

Demonstrating mass timber's advantages

Communications strategy expands industry interest and knowledge

FII's communications strategy showcases how B.C.'s leadership is turning mass timber innovation into real-world results, drawing on examples from over 20 projects in the Mass Timber Demonstration Program (MTDP). Technical insights, strong visuals and practitioner-focused content are delivered across the channels where industry professionals are already looking for credible information, including social media, industry trade associations and conferences.

FII worked closely with project teams in partnership with WoodWorks BC to document evidence on the constructability, performance and scalability of advanced structural, hybrid and prefabricated wood systems. Lessons from completed MTDP projects are helping to advance mass timber building systems and

construction processes and strengthening industry understanding of emerging design and construction practices around taller wood construction, rental housing delivery and energy efficiency.

These insights are reaching design practitioners, developers, contractors, regulators and permitting agencies through extensive outreach that includes project tours, case studies, digital promotion and a growing library of video content. Recently completed projects featured on naturallywood.com—Vienna House, The Hive, the Kelowna International Airport Expansion and Beatty Street—helped drive almost 35,000 project page views (a 45 percent increase over last year) and 84,000 page views across all MTDP content since the start of the program, demonstrating keen industry interest.



Photo: Bright Future Studio



Vienna House

Sharing learnings for affordable housing projects

Vienna House demonstrates the potential of mass timber light-frame wood hybrid construction in affordable multi-family housing. The seven-storey Passive House-certified building features a structural system of cross-laminated timber (CLT) floors and a CLT roof. The prefabricated light-wood-frame wall panels include bio-based insulation.

The Hive

Unique mass timber perimeter-braced seismic system

One of the most seismically advanced mass timber buildings in North America, the Hive is a 10-storey commercial building featuring glulam beams, columns and braces, and CLT floor panels and shear walls. The perimeter-braced structural system is a series of self-supporting thermally broken balconies that shape the building's unique appearance and eliminate the need for conventional cast-in-place concrete cores.

Photo: Michael Elkan, courtesy naturallywood.com





Kelowna International Airport Expansion

Delivered on time while being fully operational

Kelowna International Airport's two-storey expansion showcases hybrid mass timber innovation, using steel columns, glue-laminated timber girders and prefabricated CLT "waffle-slab" roof panels that hide lighting, sprinklers, conduit, HVAC and drainage systems. The panels were built using locally sourced timber and assembled off-site to minimize on-site construction times, enabling the airport to remain fully operational throughout the renovation.

A contemporary interpretation of the traditional concrete waffle ceiling found in airports, the prefabricated, standardized cassette panels support efficient expansion, while large spans enable future interior reconfiguration.



Photos: Wade Comer Photography, courtesy naturallywood.com



Beatty Street

Rehabilitation supports urban densification and preserves heritage

837 Beatty Street adds a four-storey mass timber office addition above a restored 1911 three-storey warehouse. Using a system of nail-laminated ceiling panels and glulam columns and beams, the structure shows how adaptive reuse and modern engineering can support urban densification strategies. The project includes a full seismic upgrade and demonstrates how mass timber can meet code acoustic performance requirements.

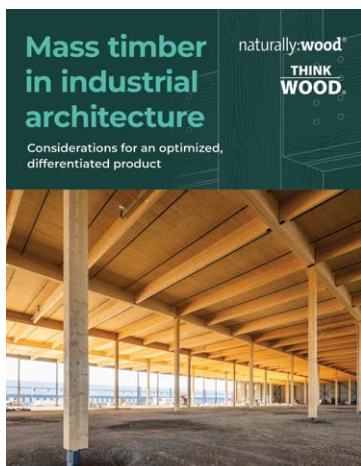


Building the financial case for mass timber construction

FII's support of Affine Climate Solutions' Banking on Buildings Program is helping the financial sector understand, value and fund mass timber projects. By ensuring that the benefits of energy-efficient and resilient building design are reflected in the data lenders use to review financing applications for wood-based construction, the project aims to make it easier for B.C. developers to secure funding.

Affine is now scaling the Banking on Buildings Program across Canada's largest financial institutions and has trained over 110 banking and insurance professionals on technical considerations unique to mass timber projects. A new *Unlocking Mass Timber Finance* guide consolidates these insights, with case studies and technical findings helping provide developers and lenders with the knowledge to streamline approvals and accelerate wood construction.

This program began three years ago when FII funded Affine to work directly with lenders like Vancity, BMO and RBC to integrate mass timber considerations into their official underwriting and lending protocols so that wood's performance characteristics would be recognized in project risk assessments. The team also conducted research on the total cost of ownership in affordable housing, finding that while hybrid mass timber can cost more upfront, it reduces construction timelines and significantly lowers embodied carbon. Affine's review of more than 100 research studies further confirmed that energy-efficient and green-certified buildings outperform financially, with better value retention and lower default risk. Affine has now integrated these findings into a practical decision-making framework that is used internally and in collaboration with financial institutions to support their underwriting and lending discussions.



Mass timber in industrial applications

Thirty percent of Canada's non-residential construction consists of industrial projects. To encourage more wood use in this typology, FII commissioned *Mass Timber in Industrial Architecture*. This resource highlights the advantages of using mass timber—including lower-carbon emissions, design flexibility and competitive performance—compared to steel and concrete. It outlines strategies for distributing risk and maximizing investment returns and provides a suite of examples of mass timber use in warehouses, manufacturing facilities and specialty production facilities.

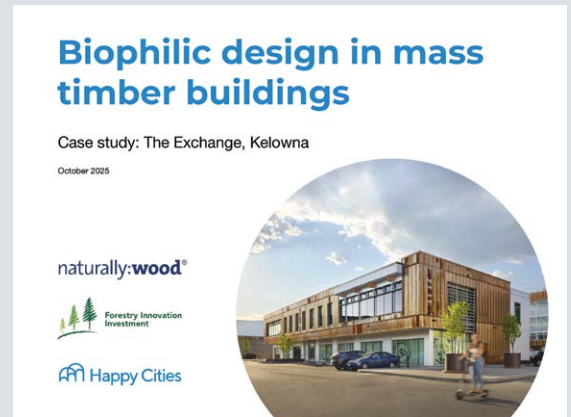
Measuring benefits of biophilic design

Happy Cities' post-occupancy evaluation *Biophilic Design in Mass Timber Buildings* explored the experience of people working at two mass timber buildings at The Exchange in Kelowna. Through surveys, site visits and interviews, researchers examined how the use of wood in common areas influences occupant well-being. They found clear benefits:

- **87% reported improved mental health in their new office**
- **61% reported improved physical well-being**
- **74% reported stronger collaboration with teammates**

To help bring these advantages to more project teams, FII and architectural firm ZGF hosted a speaker panel at BUILDDEX Vancouver—one of Canada's core conferences and tradeshow for property management, interior design, architecture, construction and renovation. The panel previewed FII's technical handbook, *Inside Wood*, which provides architects, interior designers and engineers with practical strategies for maximizing the use of exposed wood surfaces. The resource also addresses building codes, detailing, maintenance and biophilic design principles, bringing the health and performance advantages of wood to more people and more projects.

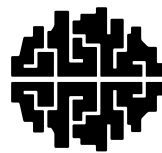
Learn more about biophilia on naturally:wood: naturallywood.com/resources/biophilic-response-to-wood/



Winning project: Timber Commons | Photos: Urbanarium



Jillian Weinberger, Luis Quezada, Jaewon Kim of Moriyama Teshima Architects | Photo: Urbanarium



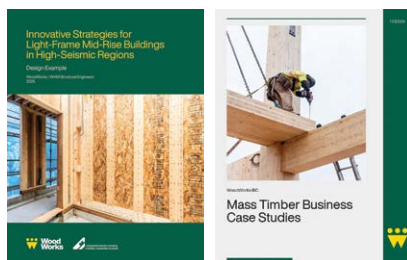
URBANARIUM
FOR SMART CITIES

Inviting new ways to think about timber towers

Urbanarium's international design competition Decoding Timber Towers is expanding the conversation around mass timber high-rise construction, linking design innovation with policy goals and market realities. Supported by FII, the competition attracted 147 teams from 14 countries who generated ideas for using B.C. mass timber in taller buildings while addressing cost, constructability and regulatory barriers. Urbanarium is now sharing the winning submissions through multiple channels to bring insights directly to decision-makers, industry and the public.



Building industry knowledge, one resource at a time



FII is strengthening design and construction expertise across the sector by supporting WoodWorks BC to develop and distribute its popular technical guides. In 2025/26, naturally:wood amplified the uptake of these FII-funded resources:

- **Mass Timber Business Case Studies:**
1,744 downloads
- **Feasibility of Point-Supported Mass Timber:**
769 downloads
- **Innovative Strategies for Light-Frame Mid-Rise Buildings in High-Seismic Regions:**
1,002 downloads
- **The WoodWorks BC BUILDEX conference stream:**
1,137 attendees



Turning innovation into outcomes

Cost-shared support for individual company manufacturing and marketing development and improvements through UBC's Centre for Advanced Wood Processing (CAWP) and the BC Wood Specialties Group remained a focus for 2025/26, helping B.C.'s value-added wood manufacturers turn innovation into measurable business outcomes.

17 company-specific projects were delivered by CAWP, focused on cost reduction, automation and new product certification.

14 company-specific marketing, branding, sales and strategic messaging support sessions were delivered through BC Wood Specialties Group to help companies strengthen their market presence, reach new markets and grow their customer base.

Through these projects, FII is strengthening product innovation, building capacity, improving market responsiveness to changing market conditions, and reinforcing the long-term competitiveness and resilience of B.C.'s wood supply chain.



Photo: UBC Centre for Advanced Wood Processing

UBC developed the technical data needed to certify Curewood's hollow-core S-P-F posts, supporting the company's move toward commercialization.

Accelerating innovation through applied research

FII's research investments close the gap between technical advancement and commercial reality, keeping B.C. at the forefront of sustainable wood innovation.



Photo: University of British Columbia

By supporting applied research across universities, industry partners and national networks, FII and its partners generate the evidence needed to update codes, develop new materials, strengthen building performance and expand market opportunities.

Growing impact: Five years and 100+ research projects

Since 2020, FII has funded and cost-shared more than 100 research projects that have shifted how the industry builds with wood and helped modernize codes and regulations. Research on fire safety and seismic resilience has supported key changes to building codes and boosted market confidence and uptake. The research has delivered breakthroughs in:



Photo: FPInnovations

- Fire safety:** FII has funded a portfolio of fire-safety research that has strengthened confidence in mass timber buildings. Full-scale testing validated two-hour fire resistance for mechanically laminated and other mass timber floor systems, directly informing design guidance and standards used in B.C. Additional projects examined encapsulation strategies and allowable exposed timber limits, providing regulators, standards bodies and practitioners with the technical evidence needed to safely advance mass timber use. This work informed both the B.C. Building Code and national building codes and standards, supporting consistent acceptance of mass timber fire safety provisions across jurisdictions.

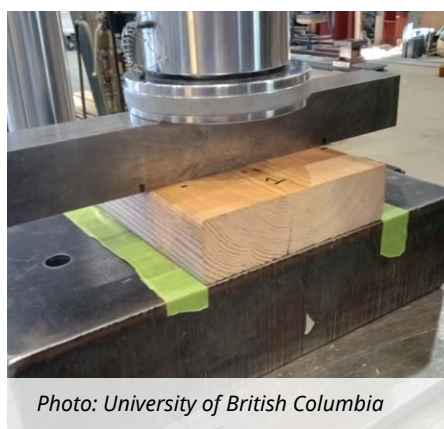
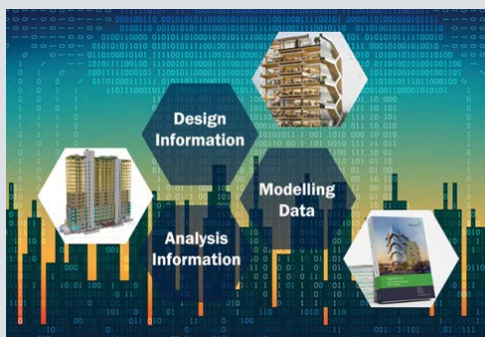


Photo: University of British Columbia

- Seismic resilience and structural performance:** Dozens of co-ordinated studies have advanced the seismic design of timber structures and supported major code evolution. Full-scale testing and multi-year research on hybrid systems—including light-frame buildings braced by CLT cores, energy-dissipating connections and high-capacity shear wall systems—demonstrated robust earthquake performance in wood buildings. This body of work confirmed the performance of hybrid mass timber systems, informed national standards such as CSA O86 and related seismic design guidance, and enabled provisions for taller mass timber buildings, including the introduction of 18-storey mass timber construction in the B.C. Building Code.

Research in action: Turning data into decision-making tools



FII's 2025/26 research cycle focused on translating technical findings into practical tools that strengthen decision-making across government and industry. FII-supported research through FPIInnovations enabled the release of a new [design and modelling database](#), providing practitioners with improved access to technical data to support wood-based construction. Such investments help bridge research and application by making advanced modelling resources more accessible to industry users to drive building performance, product innovation and market readiness for B.C. wood products.

Building physics and performance: Ongoing research is improving building design and occupant experience. New methodologies are giving designers more options to manage sound transmission in mass timber buildings, while the results of lab tests on vibration performance in mass timber assemblies can be used to design and build more predictable environments.

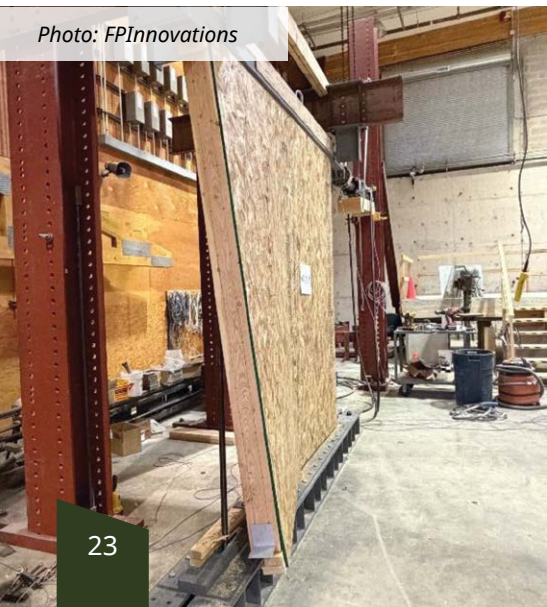
Materials and products | Hem-fir: FII funding has supported advanced research on hem-fir, including studies on glulam using manufactured lamstock, shear design values and improved moisture protocols. This work has de-risked hem-fir for mass timber applications and enabled its first commercial use in CLT at BCIT's Tall Timber Student Housing. It was also applied in the glulam and CLT systems at The Hive in Vancouver, where optimized design values supported a 10-storey timber-braced system without a concrete core.

Resilience and safety: New empirical data on fire resistance at steel-timber interfaces in point-supported systems support the adoption of mass timber in more complex structures, including performance-based designs that allow for flatter ceilings and improve cost efficiency without compromising safety.

Seismic resilience: Responding directly to the BC Building Code 2024, research delivered high-capacity wood-frame shear walls with up to four times the capacity of standard systems. New design guidelines for balloon-type CLT walls and analytical models for platform-type floor-to-wall construction maintain mass timber's competitiveness in high-seismic zones.

Sustainability and circularity: A new initiative is exploring manufacturing technologies to convert CLT offcuts (typically 10-20 percent of production) into value-added structural products by repurposing offcuts into finger-jointed elements with enhanced bearing strength for wall plates and studs. This innovation boosts resource efficiency, value-added manufacturing and carbon storage within the built environment.

Photo: FPIInnovations



Strengthening light-frame seismic performance

With seismic loads rising up to 170 percent under the BC Building Code 2024, research on high-capacity shear walls is essential to ensure light wood-frame construction remains a viable option. In collaboration with the CSA 086 Task Group, FPIInnovations reached major testing milestones in 2025, demonstrating that single-sided walls with two rows of nails deliver twice the factored shear strength of standard walls, while double-sided configurations achieve 3.4 times the strength of standard walls. Integrating these results with updated panel buckling models will support the inclusion of high-capacity shear walls in the 2029 CSA 086 standard.



Championing B.C. forest products – here at home and around the world

FII promotes B.C. forest products and forest management practices by engaging buyers, influencers and industry leaders across national and international markets.

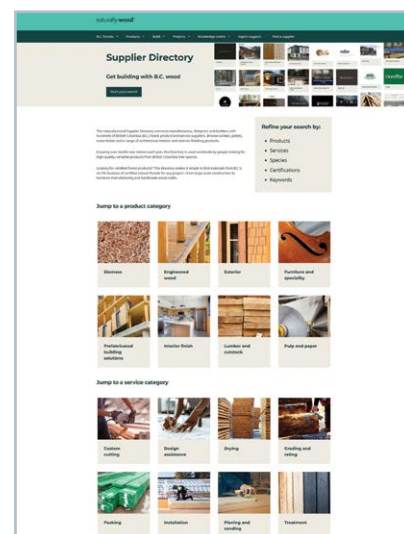
This year, FII strengthened demand for B.C. forest products through co-ordinated outreach that expanded awareness and profiled the province's leadership in sustainable forestry and wood-based construction. From elevating B.C.'s expertise on international stages to engaging domestic audiences and supporting targeted marketing campaigns, FII connected buyers with credible information and compelling stories about B.C. wood. This included maintaining the B.C. Wood Supplier Directory on naturallywood.com, which promotes more than 400 manufacturers to national and international customers through a Buy B.C. campaign.

FII also marketed B.C. forest products across Canada, which, as the world's fifth-largest consumer of softwood lumber, should be the province's first and best customer. This included collaborating nationally to position wood solutions as the top choice for meeting the housing goals outlined in federal initiatives—like Build Canada Homes—as well as provincial housing strategies. In addition, FII co-funds non-profit forest industry associations that are delivering market development programs focused on high-potential growth opportunities in Canada. Together, these efforts reinforce confidence in B.C.'s forest practices and help drive long-term market growth at home and abroad.

Buying B.C. wood through the naturally:wood Supplier Directory

The B.C. Wood Supplier Directory on naturallywood.com is a major gateway to the province's wood sector, now showcasing more than 400 manufacturers. This year, "Buy B.C." campaigns across digital channels helped drive over 100,000 visitors to the directory. Over 41,000 searches and referrals directly connected buyers with B.C. companies.

Organic search traffic climbed 53 percent compared with last year, signalling rising global interest in sourcing B.C. wood products. Targeted campaigns also generated engagement from key markets such as the U.K., Japan, India, Vietnam, Mexico, the Philippines and Australia.



Promoting B.C. to a global audience

Photo: SitePartners, courtesy naturallywood.com

FII and its partners leveraged Vancouver's role as the host of the 5th annual Woodrise International Congress to showcase B.C.'s leadership in wood design, construction and manufacturing. FII contributed to shaping the conference program and promoting the event internationally, which featured more than 60 presentations and brought together over 1,000 leaders from more than 30 countries.

Partnering with international content creators to maximize global reach

To maximize international reach, FII partnered with architecture and building innovation content creators Archimarathon, whose audience of architects, engineers, builders and design enthusiasts numbers in the hundreds of thousands. Archimarathon's passion for mass timber and sustainable design made the company a natural partner for showcasing B.C.'s mass timber portfolio and fabrication expertise.

The Archimarathon team produced promotional and educational videos on the Woodrise conference program, mass timber performance, iconic B.C. wood buildings and B.C.'s sustainable forestry practices. To date, these videos have elevated B.C.'s global profile by generating over 4.1 million views and 460,000 engagements.



Photo: SitePartners, courtesy naturallywood.com

Profiling B.C.'s leadership to incoming Asian delegations

FII and Canada Wood strengthened engagement with delegations from China and Korea attending Woodrise 2025. Both countries are interested in engineered wood as a way to meet national commitments to urban renewal, green building policies and low-carbon construction. Canada Wood led architects, engineers, developers and academics on tours of mass timber buildings and research facilities across Metro Vancouver and Vancouver Island. Delegates also participated in technical exchanges to gain insight into the latest research on seismic and fire performance, carbon accounting and prefabrication systems.



From forest to form

An overview of forest management practices in B.C.

Canada is one of the most forested countries in the world, and nearly 16 percent of its forests are found in British Columbia (B.C.). Characterized by exceptional ecological diversity, B.C.'s forests are managed to support native ecosystems and natural growth.



naturally:wood

Learn more: naturallywood.com

Showcasing leadership in sustainable forestry

At BUILDEX, Vancouver's largest design and construction conference, naturally:wood convened a speaker panel on sourcing sustainable B.C. wood products. Delivered as part of the WoodWorks BC stream, the panel reinforced B.C.'s leadership in sustainable forest management and wood-based building solutions.

A highlight of the session was a presentation by B.C.'s Chief Forester on biodiversity and conservation, old growth, allowable annual cut, silviculture practices and internationally recognized forest certifications.

naturally:wood amplified this content by launching a companion factsheet, *From Forest to Form*, and distributing digital content, including a recording of the Chief Forester's speech.

International customer perceptions

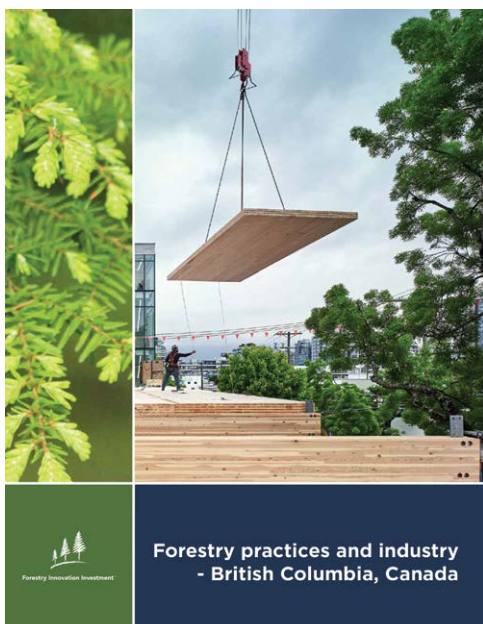
Every two years, FII surveys international wood product buyers—including pulp and paper purchasers, importers, distributors and pellet buyers—to measure how B.C.'s reputation for sustainable forest management compares to competing jurisdictions. Findings from the 2025 survey show that:

94% agree B.C. forest products are a sustainable choice

83% say Canada's reputation for sustainable forest management practices is a competitive advantage (+8% from 2023)

83% report increased demand for wood products (+18% from 2023)

82% would purchase Canadian forest products in the future



Sharing information on sustainable forest management practices

FII updated naturallywood.com with the latest information on B.C.'s sustainable forest management practices. This included content on how the province's forestry practices align with the United Nations' Sustainable Development Goals, the cultural and technical role fire plays in forest management, old growth, and silviculture practices used by the province. To maximize impact, FII integrated this information into a forestry practices primer for international wood buyers.

- **250 primer and *From Forest to Form* factsheets downloaded/distributed at events**
- **66,000 visits to forestry content web pages**

Expanding Indigenous supply chains through materials and resources guides

First Nations-led projects are supporting self-determination, local capacity and the informed use of local wood resources.

Through the Construction Foundation of BC's *Local Materials Inclusion Guide*, Indigenous housing leaders, builders and forestry professionals co-developed two new practical guides grounded in on-reserve realities that address barriers related to land codes (First Nations land governance), timber rights, grading and scale. Engagement with more than 25 Indigenous and non-Indigenous experts ensured the tools reflect diverse community contexts and development pathways.

A long-form guide addresses key technical and regulatory considerations for First Nations forestry and wood product initiatives, while a short-form guide supports early decision-making by helping builders, administrators, community

leaders and business partners map local resources and identify strategic partnerships.

Complementing this work, FII supported the BC First Nations Forestry Council (FNFC) to lead province-wide stakeholder identification, engaging all 204 First Nations in B.C. to better understand forestry priorities and active businesses. FII also helped unlock opportunities for new business relationships between First Nations and manufacturers in the forest sector by supporting FNFC's BusinessConnect initiative.



Photo: Construction Foundation of BC

Saying "oui!" to western red cedar in Quebec

In 2025, the Western Red Cedar Lumber Association expanded diversification by increasing market reach in Quebec through a targeted French-language digital campaign promoting western red cedar for residential siding and soffits. Running in September, the campaign engaged architects, builders and homeowners across the province, driving 530,351 impressions and 4,280 landing page views, while the realcedar.ca/fr site attracted 43,677 sessions in 2025.



Photo: Western Red Cedar Lumber Association

Photo: BC Wood Specialties Group



Expanding B.C.'s reach in Ontario's high-value cottage market

Alongside five B.C. wood manufacturers, BC Wood participated in the Spring Cottage Life Show, held in Toronto in March 2026. The show attracts high-end clients in one of Canada's primary recreational property markets, creating high visibility for B.C. companies. The delegation included log home and timber frame manufacturers, prefabricated housing companies and custom remanufacturers.

With Canada's growing emphasis on prefabricated housing, the show highlighted how consumer perceptions are evolving, with prefabricated construction now viewed as a high-quality, price-competitive option. One participating prefabricated home manufacturer secured most of their target sales for the Ontario market at this single event.

> Japan

Japan is one of the most significant and long-standing international markets for B.C. wood products.

In a period of challenging global trade dynamics and rising competition, FII views Japan as a crucial anchor market for expanding the use of Canadian wood in mid-rise and non-residential construction and strengthening established segments through innovation and product alignment.



Photo: Canada Wood

In 2025, Japan's updated its energy-efficiency law for new buildings to achieve national carbon emission reduction targets in residential construction. This legislation creates a regulatory climate that recognizes wood's role in meeting construction and energy goals.

FII is moving quickly to capitalize on this momentum by supporting Canada Wood Japan in its work to remove the technical and regulatory barriers to wood use in Japan. This includes strengthening the market for 2x4 construction, promoting engineered and mass timber building systems, and providing guidance and support for using B.C. wood products in multi-family and non-residential applications. More broadly, Canada Wood Japan provides technical guidance, offers professional education and advances demonstration projects to ensure Japanese buyers, builders, designers and regulators make

B.C.'s certified wood products their first choice.

With its historical affinity for wood use, Japan is also an important destination for B.C. value-added wood products. Demand is growing in the tourism, hospitality and renovation/reform sectors—areas where aesthetics, craftsmanship and sustainability align strongly with B.C.'s specialty manufacturers. With FII's support, the BC Wood Specialties Group helps companies enter the market, build relationships and expand their footprint.

In parallel, Japan's commitment to energy decarbonization is driving strong demand for wood pellets by power utilities. FII's partnership with the Wood Pellet Association of Canada helps reinforce the B.C./Canada brand and maintain market share of B.C. biomass in Japan as a reliable energy source.

Strategies for growth

Grow the mid-rise segment by advancing seismic and fire-performance solutions and positioning wood as a low-carbon option for Japan's urban housing needs.

Expand wood's role in the high-potential non-residential and value-added markets, including the hospitality sector, by engaging with industry decision-makers through technical discussions and project-level collaborations.

Strengthen confidence in B.C. coastal species by raising awareness of how they align with Japan's durability, performance and environmental policies.

Continue building trust in B.C.'s renewable forest products by sharing information about the province's sustainable forestry practices and responsible fibre sourcing.

Trade mission deepens trust and expands opportunities

B.C.'s largest-ever forestry trade mission to Japan in November 2025 demonstrated how co-ordinated government and industry outreach can transform long-standing relationships into valuable market opportunities.



Led by the B.C. Minister of Forests, Ravi Parmar, the mission was organized by Canada Wood Japan in collaboration with FII, and included provincial government representatives and a broad delegation of B.C. forest industry representatives. BC Wood led a parallel industry mission, and the Wood Pellet Association of Canada hosted a dedicated wood pellet customer event, further strengthening sector-wide outreach. More than 10 percent of the delegates represented First Nations or First Nations-owned forestry businesses, reflecting the shared commitment to growing these markets.

The mission targeted high-priority growth segments in Japan—mid-rise, non-residential and engineered wood applications—which laid the groundwork for expanded wood use and future sales.

The delegation advanced B.C.'s position by engaging with influential decision-makers in government ministries and industry associations, as well as with builders, designers, developers and supply chain partners. At the Japan Market Strategy Review, priorities to accelerate mid-rise and non-residential wood construction were defined, and joint technical initiatives to enable broader wood use were identified. Site visits showcased how B.C. wood is advancing low-carbon, resilient construction methods.

These efforts strengthened relationships, reinforced shared commitments to environmental and sustainable development objectives, and expanded opportunities for B.C.'s primary and value-added wood sectors in a market that remains central to long-term diversification and export growth.



Japan trade mission opens new opportunities for B.C. companies

60 trade mission delegates attended, including seven from First Nations or First Nations-owned businesses

5 priority market expansion strategies reviewed and advanced

A reception at the Canadian Embassy in Tokyo brought together 220 industry leaders



A Memorandum of Understanding (MOU) signed between Canada Wood and the Japan 2x4 Home Builders Association expands collaboration and opens new opportunities for B.C. in mid-rise multi-family construction

Targeted business networking and “match-making” sessions connected all seven participating BC Wood members to meet one-on-one with 24 qualified buyers

An MOU signed between Japan-based Wing/Mobitech, Centurion Lumber, Western Forest Products and the First Nations Forestry Council establishes a framework for building affordable and flexible housing on Vancouver Island using locally sourced wood

A Canadian Wood Pellet Association customer dinner connected B.C. representatives with almost 60 senior Japanese utilities and trade partners, strengthening collaboration and reaffirming Canada’s role as a reliable supplier of low-carbon biomass



Gaining ground in mid-rise construction

Canada Wood Japan and the Japan 2x4 Home Builders Association are collaborating to remove key barriers to mid-rise wood construction, setting the stage for more growth in this market.



Photos: Canada Wood

As Japan looks to build faster, reduce carbon and meet housing demand, mid-rise buildings offer an increasingly attractive solution in dense urban regions and a practical middle ground between low-rise housing and high-rise concrete towers. It's a market ready to grow: only one percent of the four- and five-storey mid-rise construction market is currently built with wood.

Over the past year, significant advances—including regulatory wins, new prefabrication pathways and advanced seismic research—have made mid-rise wood construction more cost-competitive and easier to approve.

Canada Wood Japan has leveraged lessons learned from B.C.'s success at addressing comparable barriers here at home.

B.C. is now Canada's leader in five- to six-storey wood construction, which represents 86 percent of market share and has grown from under 500,000 square feet in 2009 to nearly 10 million square feet in 2024.

The value of a partnership

In 2025/26, the partnership between Canada Wood Japan and the Japan 2x4 Home Builders Association delivered measurable results, including:

- Publishing two new 90-minute fire-resistant wall certifications
- Japan Housing and Wood Technology Centre selecting a standardized panel construction method developed by the partners as a model approach
- Testing of a mid-rise narrow shear wall system that exceeded seismic performance targets
- Signing a new MOU to expand collaboration in the mid-rise and non-residential wood construction market and open new opportunities for B.C. forest products.





Fire-resistant certifications mark a turning point for Canadian wood

A major barrier to mid-rise wood construction in Japan has been removed with the approval of new 90-minute fire-resistant interior wall assembly certifications, replacing the previous two-hour requirement.

Through collaboration between Canada Wood Japan and the Japan 2x4 Home Builders Association, this approval clears a long-standing constraint on platform-frame construction.

The partners jointly developed and tested a simplified fire-resistant wall assembly, securing government approval in November 2024. The new approach reduces labour and material requirements, improving the competitiveness of mid-rise platform-frame construction.

This milestone is just the start of a multi-year strategy. The next objective is to obtain 90-minute fire-resistant approvals for exterior walls and staircases, further streamlining building practices and expanding opportunities for Canadian wood products.



A new MOU sets the stage for continued growth

British Columbia Minister of Forests Ravi Parmar witnesses the signing of a new MOU between Canada Wood and the Japan 2x4 Home Builders Association. The MOU builds on decades of technical co-operation and links B.C.'s experience and technical innovation with market leaders in Japan to open up the high-potential mid-rise and non-residential market segments.

Narrow shear wall outperforms seismic targets

To address the growing pressures of building housing on smaller, narrower urban lots and the need to ensure that Japan's Building Standard Law seismic performance requirements are met, Canada Wood Japan has developed and successfully tested an innovative narrow shear wall measuring 300 mm wide—one-third the width of the typical 910 mm shear wall. Despite its compact width, it outperforms the seismic



requirements of Japan's building code. This makes it one of the narrowest high-performance shear walls under development for residential construction—and demonstrates that a system built with Canadian lumber and oriented strand board (OSB) can satisfy some of the world's strictest building codes. The thinner size also increases the available interior space and layout options for new builds.



Mocxion mid-rise condominium, Senzoku-Ike

This five-storey mid-rise condominium in Tokyo developed by Mitsui Home combines four storeys of wood framing on a concrete first floor using Canadian spruce-pine-fir (S-P-F) lumber, Douglas-fir engineered wood and OSB panels. More than 800 industry visitors have toured the condominium to learn how light-frame wood systems can meet Japan's seismic, fire and market expectations for mid-rise buildings.



Photos: Kitakyushu employee dormitories

Kitakyushu employee dormitories

The Kitakyushu employee dormitories in Kyushu are Japan's largest 2x4 wood construction project, consisting of four buildings with a total floor area of 19,400 m². Each five-storey building uses a hybrid system of wood platform-frame construction atop a concrete ground floor, built using Canadian S-P-F lumber and nail plate roof trusses. The project demonstrates how standardized light-frame systems can scale efficiently for large multi-building residential developments.



Expanding wood's role in Japan's hospitality sector

Canada Wood Japan is leveraging a surge in tourism-driven construction demand to position B.C. wood products and expertise as a top choice for low- to mid-rise hotel development.

A decade of significant tourism growth—rising from 13.4 million inbound visitors in 2014 to 42.7 million in 2025, with government targets of 60 million by 2030—has created an acute accommodation shortage. Current projections suggest a deficit of 300,000 to 400,000 rooms nationwide. Wood construction offers clear advantages in speed, design flexibility, carbon performance and seismic resilience; however, it is underused in hotel and hospitality buildings.

To capitalize on the current surge in hospitality construction, Canada Wood Japan is engaging directly with developers, builders, architects and construction firms to position wood as an alternative to steel and concrete and build confidence that it is a practical, scalable solution.

This engagement combines targeted outreach, technical discussions and project-level collaboration. A central element is the development of a suite of non-residential 2x4 case studies, including hospitality projects, that demonstrate how light-frame and hybrid wood systems can meet Japan's structural, fire and durability requirements.

T-home KEI Hotel

The T-home KEI Hotel in Tokyo integrates traditional Japanese design with modern wood construction, consisting of six two-storey buildings built entirely of wood, using 419 m³ of timber, including 242 m³ of S-P-F dimension lumber. Constructed by Mitsui Home, this project illustrates how the long-term collaboration between Canada Wood and Japanese industry partners results in tangible outcomes and opportunities for Canadian forest product exporters.



Building trust in coastal species for Japan's durability-focused market

FII is strengthening builder familiarity and supply chain confidence in B.C.'s coastal species, positioning them as reliable, high-performance options for Japan's demanding construction environment.

Coastal species such as hemlock and Douglas-fir, along with pressure-treated wood products, are well suited to the Japanese construction sector, where durability, long service life and consistent material quality are critical for exterior and structural applications. However, broader market uptake depends on professional lumber and building material dealers' confidence that Canadian products meet Japan's rigorous durability standards.

In 2025, Canada Wood Japan led a co-ordinated program of promotion, education and partnership-building. Activities included joint events highlighting the performance, sustainability and design versatility of Canadian coastal species; collaboration with Japanese pressure treaters to expand the use of treated Canadian lumber; and direct engagement with builders evaluating durable wood options for structural and exterior applications.

Throughout these initiatives, Canada Wood also emphasized Canada's sustainable forest management practices and their alignment with Japan's durability and environmental policies.



A delegation of Japanese housing industry representatives toured coastal mills to learn about B.C. wood species and sustainability practices.



Advancing recognition of B.C.'s sustainable forest products

A focused week of government and industry outreach raised awareness of B.C.'s sustainable forest management and reinforced Canada's reputation as a trusted supplier of responsibly sourced forest products—from lumber to low-emission wood pellets.

Japanese buyers are increasingly attentive to the sustainability credentials of imported forest products. In May 2025, the Wood Pellet Association of Canada and Canada Wood Japan organized an in-market program featuring B.C. Chief Forester Shane Berg, timed to coincide with the 2025 BioInnovAsia Conference in Tokyo, to highlight the province's practices and long-term commitments to sustainable forestry.

Meetings with Japan's Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry addressed questions about B.C.'s sustainable forest management practices and the fibre sources used to produce wood pellets. B.C.'s Chief Forester also joined a roundtable with Canadian exporters, met with major wood pellet importers and suppliers, and delivered a keynote address at the 2025 BioInnovAsia Conference to outline B.C.'s approach to forest management and long-term timber supply.

The team participated in media interviews, site visits with the Osaka Federation of All Wood Industries and a tour of the Kanda Biomass Power Plant, which relies on B.C. pellets.

These co-ordinated efforts strengthened institutional trust, clarified environmental performance and reaffirmed B.C.'s position as a reliable supplier of high-quality, responsibly sourced wood products for the construction and renewable energy sectors.



> South Korea

South Korea is a small yet strategically important market for B.C. wood products.

The country has a long tradition of building single-family and non-residential structures from wood, but limited domestic supply means it must import more than 90 percent of its softwood. Since 2006, Canada Wood, with funding support from FII, has successfully launched integrated market development initiatives to grow opportunities for Canadian producers.



Photo: BC Wood Specialties Group

Recent building code changes are opening the door to multi-family, mid-rise and taller wood structures.

These regulatory shifts align with South Korea's 2025 implementation of a net-zero energy requirement for new buildings and commitment to achieving a carbon-neutral economy by 2050. Wood's strong performance in low-carbon, energy-efficient building solutions—and South Korea's growing interest in prefabricated construction, mid-rise buildings, mass timber applications and green building standards—is expanding the market for B.C. products.

As Korea grows its use of mid-rise and mass timber systems, B.C.'s own experience offers a credible reference point. With 86 percent of mid-rise residential buildings in B.C. built with wood and more than 500 mass timber projects completed or underway, the province provides a

proven model for safe, efficient and low-carbon construction.

Beyond construction, value-added wood products—such as interior and exterior finishes and design features in high-end homes and resort developments—offer additional opportunities for B.C. manufacturers, backed by in-market efforts led by the BC Wood Specialties Group.

As South Korea's construction sector evolves, FII will continue to advance market development efforts to remove barriers to wood use, support code and standards development, and expand wood's role in both residential and non-residential construction. Strengthening relationships with government, industry and technical stakeholders remains central to positioning B.C. wood as a reliable, sustainable solution.

Strategies for growth

Deepen government-to-government and institutional partnerships to support Korea's low-carbon building transition.

Build on the partnership with Korea Land and Housing Corporation to advance technical pathways in support of mid-rise and taller wood-based residential buildings.

Continue transferring Canadian technology to turn policy requirements for carbon reduction into practical solutions.

Expand opportunities for value-added manufacturers through targeted industry engagement, including trade shows and seminars.



Trade mission deepens ties and opens opportunities

Organized by FII and Canada Wood, the mission strengthened long-standing relationships and created new momentum for future initiatives.

The forest sector mission to South Korea in November 2025 underscored B.C.'s commitment to trade diversification and promoted the use of Canadian wood products to support Korea's shift toward low-carbon, energy-efficient construction. Led by B.C. Minister of Forests Ravi Parmar, the mission brought together a delegation of representatives from government, First Nations, industry and labour for the second leg of Asian engagement following the mission to Japan.

A key outcome was the signing of a trilateral Memorandum of Understanding (MOU) between the Korea Land and Housing Research Institute, Canada Wood and FII. The MOU establishes a framework for joint action to advance Canadian wood products and modern wood construction



methods in support of South Korea's carbon-neutrality goals. A market strategy session explored practical ways B.C. wood can be deployed in priority segments to address Korea's green-building policies. The visit culminated in an embassy reception where delegates engaged with senior leaders from Korea's wood and construction industries, leveraging the Minister's presence to reinforce long-standing partnerships and advance solutions-based collaboration in emerging segments where wood offers distinct advantages.

Delegates visited urban wood-frame projects and single-family developments to see how B.C. wood products are being used at scale to meet Korea's housing and construction needs. Delegates also toured modular and prefabricated construction facilities that are actively expanding capacity, demonstrating clear pathways for integrating B.C. wood into high-growth, production-driven construction solutions.



From policy to practical solutions: Strategic partnership with Korea's largest public housing provider



Photos: Canada Wood

A growing partnership positions Canadian wood solutions at the centre of South Korea's shift to lower-carbon and higher-density housing.

New government policies are promoting prefabricated off-site building to address labour shortages and improve construction quality. These policies create a significant opening for wood, as prefabricated wood systems can accelerate and streamline the construction process.

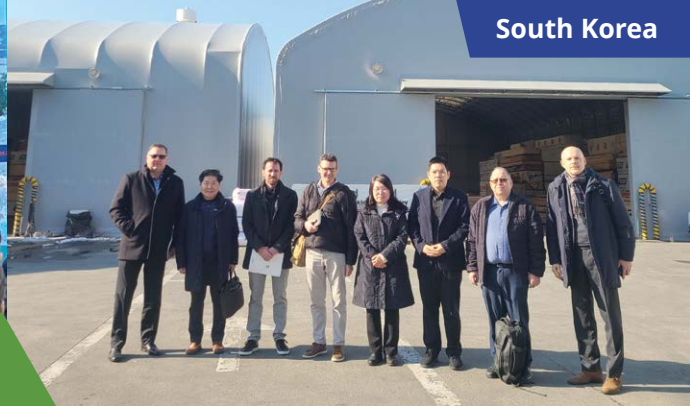
Korea Land and Housing Corporation—the country's largest public housing provider and one of its most influential construction authorities—is advancing this agenda by studying the use of wood panelization as an alternative to precast concrete in off-site construction. If implemented, the impact on wood demand could be significant, opening opportunities across a large share of Korea's multi-family and higher-density housing markets.

This work was advanced significantly during the forest sector Asian mission in November 2025 with the signing of a trilateral MOU between Canada Wood, FII and the Korea Land and Housing Corporation's research arm, the Land and Housing Research Institute. The MOU establishes a platform for technical co-

operation to introduce and scale Canadian wood construction systems in Korea, with a focus on energy efficiency, environmental performance, and seismically resilient and fire-safe building solutions.



Priority initiatives include validating two-hour fire resistance for wood frame walls, floors and cross-laminated timber (CLT) assemblies; meeting Korea's stringent sound requirements; developing CLT engineering and permitting models; and establishing off-site construction-based wall, floor and roof systems suitable for public housing.



Connecting B.C. manufacturers with Korean buyers

BC Wood is creating opportunities for value-added manufacturers to make inroads into the growing Korean market.

A multi-pronged market development mission to Korea—spanning a major trade show, site visits and targeted seminars—gave B.C. value-added wood product manufacturers direct access to buyers and the market intelligence needed to expand their presence in the country.

Korea represents a significant opportunity for B.C. value-added wood products. Long-term demand for single-family 2x4 homes outside urban areas, greater emphasis on structural and aesthetic quality, the increase use of wood in non-residential projects and an emerging market for high-end resort developments—where Korean developers are studying successful models like Whistler—are all creating favourable conditions for B.C. manufacturers.

BC Wood’s presence at Korea Build Week put five B.C. manufacturers in front of buyers at the country’s largest building and materials show to establish the connections that can lead to new business. The participating B.C. companies—representing lumber, high-end finishing materials, advanced home packages and mass timber—saw steady traffic throughout the four-day event.



The manufacturers also visited potential customers at their sites to learn more about what Korean buyers are looking for and to identify emerging opportunities in prefabrication, modular housing and sustainable construction. These discussions provided essential market intelligence that will help companies tailor their sales strategies.

> China

Over the past two decades, FII's in-market presence, in collaboration with Canada Wood, has made China a major destination for B.C. softwood.

B.C. is widely respected in China as a supplier of high-quality, sustainably produced wood products, and Canadian wood is well regarded by commercial buyers and government stakeholders.



Photo: Canada Wood

Today, even with market pressures and intensifying competition, China is B.C.'s second-largest export market for forest products. Although China's overall softwood lumber imports have moderated since the peak of the property boom in 2020, the country continues to rely heavily on imported lumber. Demand is growing in low- to mid-rise residential construction, hybrid and prefabricated building systems, and an expanding range of mass timber and non-residential projects.

This shift aligns with China's climate goals, including commitments to peak carbon emissions by 2030 and reach carbon neutrality by 2060. British Columbia's well-managed forests and the carbon benefits of wood resonate strongly with these priorities. Urban renewal programs, green building initiatives and policy support for low-carbon development are

generating interest in engineered products, energy-efficient buildings and high-value prefabricated components. At the same time, rural revitalization policies focused on improving infrastructure, housing, tourism facilities and public services are generating new opportunities for B.C. wood products.

To advance these priorities, FII China and Canada Wood China are collaborating with the provincial and municipal agencies responsible for implementing national policy and supporting them in adopting mass timber and light wood-frame solutions. In parallel, broader market development efforts are promoting engineered wood, strengthening government and industry relationships, addressing regulatory and phytosanitary barriers, and delivering technical support and targeted promotion across the construction sector.

Strategies for growth

Deepen partnerships with national and provincial authorities to build policy support for wood as a practical, scalable solution aligned with China's low-carbon and green building priorities.

Expand the use of wood in urban renewal and rural revitalization projects by engaging with stakeholders and demonstrating how Canadian expertise and wood products deliver low-carbon and aesthetically pleasing buildings across all sectors.

Accelerate the adoption of mass timber and engineered wood systems by strengthening industry capacity, expanding education, and positioning B.C. species as essential materials for high-performance and landmark buildings.



Deepening partnerships to build support for wood

FII is strengthening long-term relationships with national and provincial authorities to position wood as a practical and scalable solution that supports China's low-carbon and green building goals.

Renewed MOU creates new pathways for wood construction

Canada-China co-operation on wood construction is anchored by a tri-party Memorandum of Understanding (MOU) between Natural Resources Canada, the British Columbia Ministry of Forests, and China's Ministry of Housing and Urban-Rural Development (MOHURD) that was first signed in 2010.

Minister of Energy and Natural Resources Tim Hodgson and MOHURD Minister Ni Hong at the Better Housing Exhibition, where they toured the show floor following the signing of the renewed MOU. The Government of British Columbia represented by Minister of Forests Ravi Parmar is a signatory to the MOU.

Under the renewed MOU signed in January 2026, FII China and Canada Wood will lead policy and technical exchanges on embodied carbon accounting, procurement levers for low-carbon materials, and regulatory frameworks for tall and complex wood and hybrid buildings. This next phase of co-operation will also prioritize market readiness support through technical guidance, training and compliance pathways for engineered wood systems.

Since 2010, FII China and Canada Wood have worked with MOHURD—the central authority responsible for construction policy, codes, standards and market regulation—to align timber construction with China's climate and modernization goals. Together, they have contributed to more than 125 codes, standards and technical practices that support the broader use of wood in China's construction sector.



High-level engagement and co-ordinated action

China's government plays a central role in shaping the national economy by directing industry regulations, overseeing key industry and construction associations and technical bodies, and managing the state-owned enterprises that dominate the construction sector.

National departments set overall construction and environmental policy, while local jurisdictions develop action plans and implementation strategies to achieve these policy objectives.



Within this context, advancing wood use requires active engagement with both national and regional authorities to credibly demonstrate how wood-based solutions meet national and local construction and sustainability goals. FII China has built this credibility for over 20 years and has a strong reputation for its expertise, flexibility and ability to work collaboratively with governments to advance shared goals.

In January 2025, for example, FII China hosted a national-level forum that brought together 45 senior representatives from key government-affiliated organizations and leading wood construction firms. Discussions positioned wood and hybrid timber-steel/concrete systems as strategic responses to China's slowing real estate market and rising sustainability priorities. Presentations highlighted market shifts, regulatory developments and growing policy support for low-carbon, wood-based solutions.

The forum exemplifies how co-ordinated multi-stakeholder collaboration is advancing wood as a sustainable and resilient building solution in China.

The recognition of FII's role as a valued knowledge partner and thought leader was further affirmed in September 2025 when FII China was invited to participate in the 2025 China-ASEAN Ministerial Roundtable on Housing and Urban-Rural Development. MOHURD's vice-minister provided a high-level endorsement of the role of wood in green building strategies and a leading Chinese architect publicly acknowledged the value of Canadian technical support. At the invitation of the China Real Estate Association, FII China presented a session on global trends and guided cross-sector discussions on policy, standards and design innovation.



China Real Estate Association President Chen Yiming

From provincial collaboration to national recognition

FII's two decades of relationship-building efforts in Jiangsu province—now one of the country's leading importers of Canadian dimension lumber and home to a highly developed wood ecosystem—is a model for successful engagement.



Priority provinces in China

FII engages with over 40 national and regional-level government organizations, including direct engagement with 10 Chinese provincial governments that represent 50 percent of China's population and nearly 60 percent of its gross domestic product.

Jiangsu forum is a catalyst for national-level collaboration

Photo: FII China



By drawing national-level partners to what began as a regional forum, the fifth Jiangsu-Canada Green and Low-Carbon Development Conference, held in November 2025 in Wuxi, demonstrates how FII's relationship-building efforts are scaling from provincial roots to national impact.

Co-hosted by FII China, the Jiangsu Provincial Department of Housing and Urban-Rural Development (Jiangsu MOHURD), and the Jiangsu Foreign Affairs Office, more than 100 participants joined the conference, including senior leaders from the China Real

Estate Association and the National Center of Technology Innovation for Green and Low-Carbon Building. High-level remarks from Fei Shaoyun (Jiangsu MOHURD), Alexandre Cérat (Consulate General of Canada in Shanghai) and FII President and CEO Michael Loseth underscored the strong political and industry support behind the partnership.

A major outcome was the launch of four new research initiatives under the Jiangsu Modern Wood Engineering Technology Innovation Centre, which consulted FII and Canada Wood during its planning phase and has expressed formal interest in continued collaboration on standards and technical development.

The forum also introduced a new dialogue session and networking events that enabled direct exchanges between Canadian companies and Jiangsu decision-makers. FII's Michael Loseth and Canada Wood's Bruce St. John joined a panel session exploring future collaboration in research, codes and standards, and industry engagement.



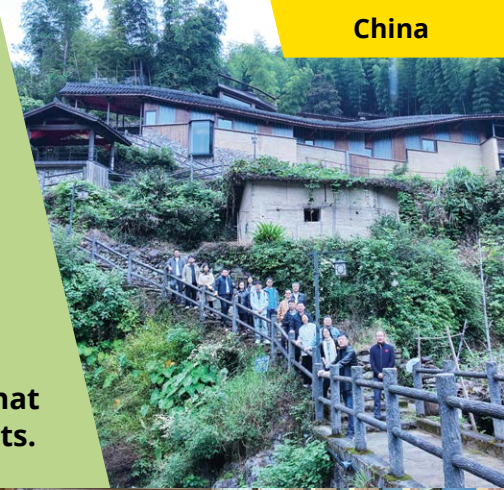
Deepening the Canada-Jiangsu relationship at Woodrise 2025

In September 2025, a Jiangsu delegation of government officials, researchers, engineers and construction experts travelled to Vancouver to attend Woodrise 2025, an international conference dedicated to mid- and high-rise timber construction and building practices. During the event, Jiangsu MOHURD Deputy Director General Lu Hongwei highlighted how evolving codes in China were enabling the uptake of wood construction. FII hosted roundtable discussions on future co-operation, including urban renewal, rural revitalization and pilot mass timber projects using cross-laminated timber and glue-laminated timber (glulam). This engagement strengthened policy alignment, created pathways for technical exchange and expanded market opportunities for B.C. wood in China's rapidly evolving sustainable construction sector.



Expanding the use of wood in urban renewal and rural revitalization

FII is promoting B.C. wood products as a practical, scalable solution that supports China's urban renewal efforts and rural revitalization projects.

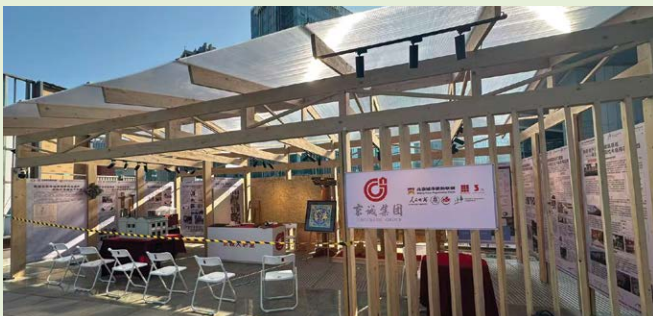


Photos: Canada Wood

Canadian wood in the heart of Beijing

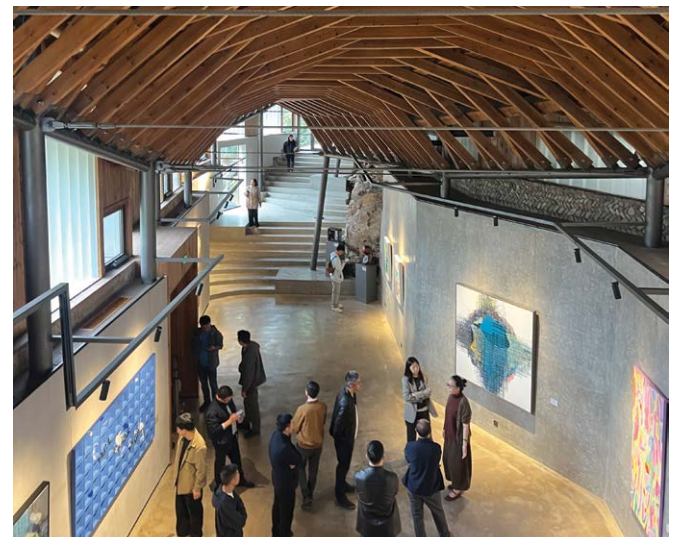
FII China and Canada Wood partnered with Beijing Jingcheng Group and Jiangsu Qianshu to design and construct a 40-square-metre pavilion made entirely from B.C. hemlock, showcased during the 2025 Beijing Urban Renewal Week in Beijing's Dongcheng district.

As the only all-wood exhibit, the pavilion drew attention from senior officials and public and private developers who saw firsthand the feasibility of deploying prefabricated wood systems within Beijing's regulated construction environment. Following the exhibition, the district government funded a partial reconstruction of the structure, and partners are now exploring long-term collaboration through pilot projects, technical salons and a white paper on wood-based solutions for urban renewal.



Connecting stakeholders in wood construction

In October 2025, FII China and Canada Wood co-hosted the Wood Construction Industry Exchange in Lishui, bringing together 30 leading enterprises and local government stakeholders to strengthen dialogue on urban renewal and rural revitalization. Participants discussed industry promotion, emerging structural materials and opportunities for collaboration. The exchange culminated with tours of wood construction projects, including the Jiuceng Art Museum, which received the 2025 Canadian Wood Design & Building Award.



Building the mass timber market

FII is advancing Canada's leadership in China's low-carbon construction shift by driving mass timber adoption, elevating Canadian species in landmark projects, and growing long-term professional capacity across the country.

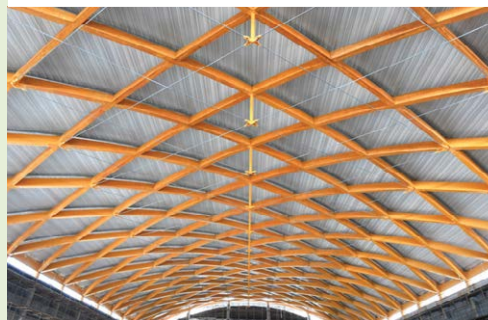
Glulam takes centre stage in landmark buildings

Wood has scaled up in a big way. No longer limited to niche projects, glulam now features in some of China's most visually striking buildings. Since 2010, more than 460 signature timber projects have been completed across 30 provinces. Canada Wood China has helped enable this growth, supporting building code development, showcasing demonstration projects, advancing glue-laminated timber certification, and training local engineers.

Although Canadian Douglas-fir has emerged as the preferred glulam species, Canada Wood is expanding its focus to position western hemlock for broader use through research, standards development and new demonstration projects.



The Shenzhen Guangming International Equestrian Centre, with its 96-metre glulam roof.



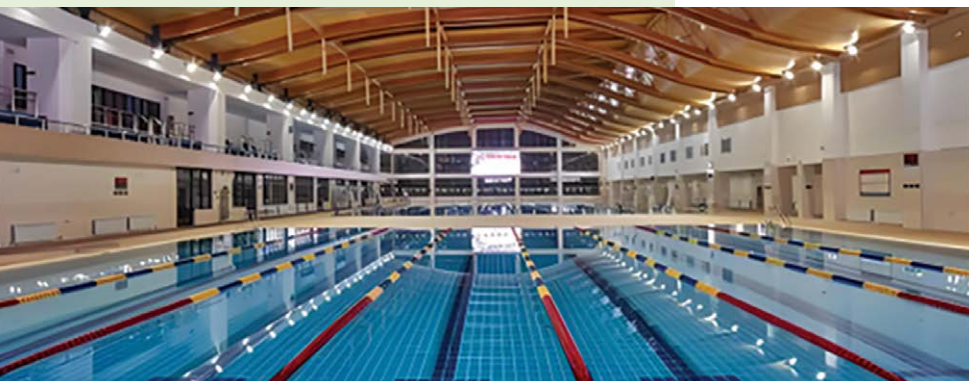
The Shanghai Chongming Sports Training Base, with its 45-metre steel-timber lattice roof.



The 48.4-metre cable-stayed dome at the Chengdu Tianfu Fitness Centre.



The hybrid steel-timber Olympic track at the National Sliding Centre.



The Changchun National Fitness Swimming Centre features 30-metre V-shaped cable-stayed glulam beams.

Since 2010:
460 timber projects
across **30** provinces



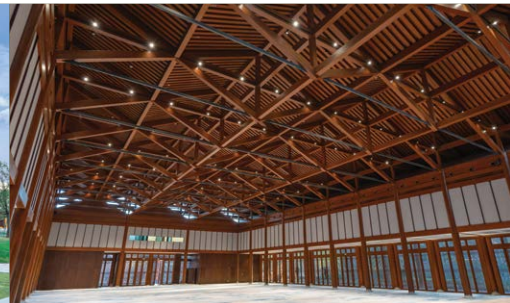
The Cannano Exhibition Center

Green building innovations in Guangdong

FII China is raising interest in how mass timber built with Canadian wood can meet the region's demand for innovative high-performance construction. The Pearl River Delta is one of China's most active regions for modern wood construction, with wood being used in cultural buildings, corporate campuses and major sports venues.



Vivo Global R&D Center



High-profile projects like the vivo Global R&D Center demonstrate how mass timber can cut construction timelines by 20 to 50 percent while meeting low-carbon sustainability goals. The region's advancements in computational design and precision digital fabrication are exemplified by the Cannano Exhibition Center, China's first spherical mass timber grid shell.



Zhujiang Park

These and other high-profile applications are creating a powerful market pull for glulam and cross-laminated timber and demonstrate to the broader community that B.C. wood can play a long-term and dramatic role in the built environment.



Kengzi Cultural and Technology Center

> Emerging markets

Vietnam and India present high-opportunity markets for B.C. wood



The global furniture market is large and growing, with demand rising across the residential, commercial and hospitality sectors worldwide.

Vietnam and India are significant furniture manufacturing hubs, supplying many of the world's leading brands that sell into North America, Europe and Asia. In 2025, Vietnam exported over CAD \$17 billion of wooden furniture, making it the world's second-largest exporter in this category. In addition to its growing domestic market, India has seen its furniture exports increase by more than 250 percent in the past 15 years—reaching \$1.16 billion in 2025—as international buyers seek diversified, cost-competitive production.



FII is strategically growing market opportunities for B.C. wood in Vietnam and India. Their growing influence in global supply chains for wood manufacturing makes them strategic leverage points for material selection. Market development initiatives in these countries are opening up potential for B.C. species to gain market share as manufacturers seek certified, sustainable and high-performing alternatives to hardwood species.



The power of three:

How a triangulation strategy is building demand

FII's triangulation strategy links B.C. suppliers, offshore manufacturers and major global furniture brands. This approach recognizes that long-term market growth depends on shaping supply chains and strengthening the B.C. brand with international buyers. By influencing both where products are made and who makes decisions about materials, FII is influencing market demand so that global buyers will request B.C. wood and manufacturers will have the technical know-how and familiarity with our species to integrate them into product development pipelines.

This dual-channel influence creates market pull: buyers specify B.C. species because they trust their performance and manufacturers adopt them because they are proven and aligned with buyer demand.



Supporting tools: Streamlining the specification process

Developed by FII, the Canadian Wood Stains & Finishes Library is an informative reference tool for manufacturers and designers who want to explore the wide-ranging design potential of Canadian species. The digital library is a centralized resource that showcases colours, textures and treatment ideas, making it easy for designers to see the staining performance and aesthetic versatility of western hemlock and Douglas-fir and to streamline the specification process. Complementing the digital platform, a physical colour panel library is also being showcased in three key markets, giving designers and manufacturers hands-on access to material samples. In addition to working with factories that create their own finishes, FII is collaborating with coating companies to expand the range of custom finishes available.

> India

For over a decade, FII has worked to support the development of a commercially viable market for B.C. lumber products in India's export-oriented furniture sector.

Today, in a period of growing global uncertainty, developing demand in high-potential countries like India is essential to the long-term resilience of B.C.'s forest products sector.



Photo: FII India

India's economic conditions are favourable. A strong domestic consumer base, rapid urbanization and an expanding middle class are driving growth in both tourism-related infrastructure and furniture manufacturing.

At the same time, diminishing global hardwood supplies and growing recognition of the demand for certified, sustainably sourced wood are also shifting manufacturers to alternative species and creating opportunities for B.C. products. Since 2014, FII India has positioned B.C. wood species, particularly underused Coastal hemlock, as cost-effective, sustainable alternatives to traditional hardwoods for applications that include furniture, doors, windows and architectural millwork. There is additional potential to support Indian exporters' growing

interest in certified wood and advancing domestic manufacturing capabilities.

To capture these opportunities, FII is working with B.C. companies that want to enter or expand their presence in India, and reinforcing the value of the Canadian Wood brand to capture rising demand in both domestic and international supply chains. Key activities include increasing awareness of Canadian softwood species through outreach and education; introducing B.C. species to manufacturers for furniture and interior applications; building a supply and distribution network for B.C. products; and leveraging FII-supported demonstration projects to help India's construction and design communities adopt wood in structural and non-structural applications.

Strategies for growth

Use high-profile commercial projects to highlight the technical and sustainability benefits of using Canadian softwood and encourage the broader uptake of products across more applications.

Demonstrate the value of B.C. wood in product trials and applications to help designers and manufacturers evaluate performance and recognize the commercial suitability of B.C. softwood in furniture manufacturing.

Continue raising awareness of the Canadian Wood brand through promotion, outreach and education.

Trade mission strengthens commercial ties

With a focus on diversifying trade and growing exports, Premier David Eby and Minister of Jobs and Economic Growth Ravi Kahlon led a trade mission to India in January 2026.

The mission included two strategic engagements organized by FII India to deepen relationships with influential industry stakeholders and showcase B.C.'s sustainable forest products and practices.

Premier Eby hosted a roundtable with 15 leaders from India's manufacturing, architecture, design and wood importing sectors. The session explored long-term commercial co-operation aligned with India's rising demand for high-quality, responsibly sourced wood. Participants emphasized the value of B.C.'s certified softwoods in meeting buyer expectations for durability, environmental responsibility and design versatility across furniture, interiors and emerging structural applications.



Minister Kahlon led a site visit to Morph Design, a subsidiary of one of Bangalore's largest developers, Prestige Group, a company that specializes in premium doors, modular furniture and interior solutions in the high-end residential and hospitality markets. Morph Design's Bengaluru facilities produce over 7,000 door sets a month, supported by B.C. Douglas-fir. Minister Kahlon and senior executives discussed opportunities to scale the use of B.C. wood across product lines and future design programs.

These engagements reinforced B.C.'s reputation as a supplier of sustainable, high-performance wood products and strengthened the Canadian Wood brand in a market with significant long-term growth potential.

Commercial projects accelerate market adoption

FII India supports high-profile commercial projects to demonstrate the design potential and reliability of Canadian wood in applications ranging from high-end residential to the hospitality and tourism sectors.

Working alongside architects and builders, FII India helps deliver aesthetically pleasing projects and build knowledge and confidence in B.C. species. These projects show how Canadian wood performs in demanding climates, meets design and durability requirements, and elevates the quality of hospitality, residential and public infrastructure. Each successful build expands awareness, strengthens relationships with decision-makers and opens new pathways for long-term commercial growth.

36 commercial projects completed using B.C. wood in 2025/26



Photos: FII India



Bram Woodcrafting Studio:

Climate-responsive design with western red cedar

Western red cedar was the ideal choice for Bram Woodcrafting Studio's west-facing office façade in Mysuru, where intense sun and monsoon rains demand a material that performs across seasons. With wood sourcing and technical support from FII India, founder Bram Rouws designed weather



screens made of 60 pivoting cedar panels that regulate solar exposure and improve natural ventilation. Cedar's natural durability, resistance to UV and insect damage, and warm colour made it the only material considered. The project's success has generated new commercial interest, including an order of western red cedar by a sister company.



Beleza by the Beach: Cedar shakes for coastal performance

When Wheaton Design rebuilt the hotel reception area at Beleza by the Beach in Goa, it sought a roofing solution that could deliver both durability and a distinct arrival experience for guests at the eco-luxury resort. The company selected Programme for the Endorsement of Forest Certification (PEFC) certified western red cedar shakes for the 557-square-metre roof, offering natural resistance to moisture and decay, a refined taper sawn finish, and colour tones that complement Goa's coastal architecture. This project demonstrates how B.C. wood can elevate design while meeting demanding performance requirements.

Rhododendron Sanctuary:

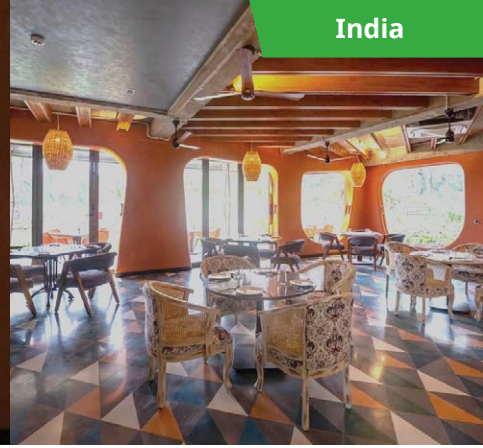
Engineered timber in a sensitive ecosystem

An ecotourism facility at the Rhododendron Sanctuary in northeastern India that makes extensive use of engineered timber is a high-profile example of sustainable public infrastructure. Using Douglas-fir glue-laminated timber (glulam) beams, columns and arches, the 1,486-square-metre facility built by Jackhammer—the first large-scale commercial manufacturer of glulam in India—demonstrates how engineered timber can perform in a sensitive Himalayan ecosystem.



Photos: FII India





Juju:

S-P-F creates a welcoming ambience

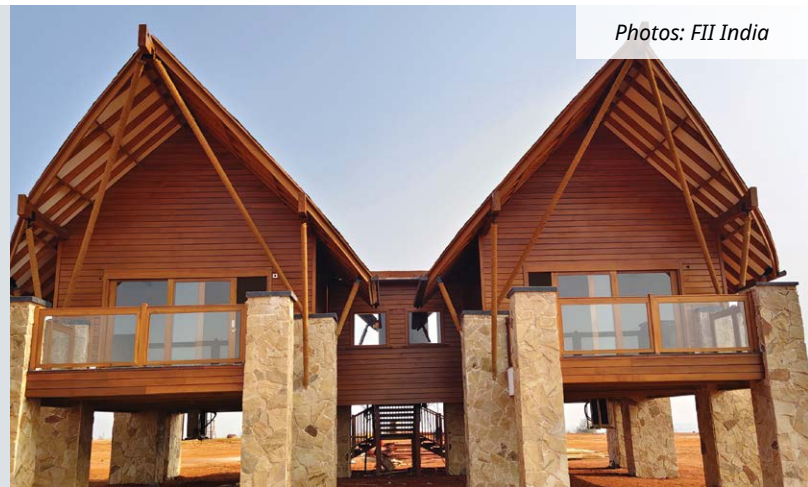
Juju, a fine-dining restaurant in South Goa, showcases how FII India's long-standing relationship with Wheaton Design comes to life in beautiful high-end commercial projects. Wheaton Design selected B.C. spruce-pine-fir (S-P-F) for the ceiling rafters and interior fit-outs to create a warm, refined environment that harmonizes with natural light and greenery.

Nesca Homes:

Scaling wood-frame construction

Nesca Homes is demonstrating the potential of Canadian wood in India's construction sector through a growing portfolio of wood-frame projects. Since 2018, the company has completed more than 40 projects using B.C. S-P-F—nearly 100 containers to date—and is the only company in the country producing code-compliant wood-frame homes.

The company is now expanding into hospitality and resort development, including Irya Vineyards in Hyderabad, where 85 cubic metres of B.C. S-P-F, western red cedar and yellow cedar were used to construct the resort. Currently under construction is the 4,645-square-metre Le Pino Resort near Hyderabad. This will be India's first wood-frame construction resort built exclusively with Canadian species, requiring an expected 20 containers of S-P-F and Douglas-fir.



Product trials turn interest into adoption

Product trials, organized by FII India, demonstrate real-world outcomes, validate technical suitability and reduce perceived risk.

FII India uses product trials to demonstrate how B.C. species perform under local conditions and meet customers' requirements by pairing hands-on testing with technical guidance. They are essential tools for accelerating the adoption of B.C. wood species, particularly underused Coastal hemlock.

30 product trials
with local manufacturers were completed in 2025/26



Evavo Wellness:

Saunas at world-class hotels

With FII India's support, Evavo Wellness has brought B.C. wood into India's luxury market, completing more than 10 high-end sauna projects for top hotels and wellness facilities. FII has built its relationship with Evavo over almost a decade, from initial meetings at trade events to educational seminars, technical support and material guidance—including a full mock-up sauna at Evavo's Mumbai showroom. Evavo incorporates western red cedar and western hemlock in its sauna projects for their durability, dimensional stability and visual appeal. The company is now exploring new production opportunities with a major Indian bathroom fittings manufacturer, signalling growing commercial interest in B.C. wood.

Evergreen International:

Furniture for international markets

Evergreen International, one of India's largest integrated furniture exporters, is using western hemlock across several product categories. FII India began collaborating with Evergreen in 2024 and has provided ongoing technical support. Following the success of an initial six-drawer dresser, Evergreen has expanded the use of western hemlock across additional product categories for international buyers.





Promotion and outreach build market confidence

FII India builds market confidence through co-ordinated promotion and outreach—using tradeshow, seminars and digital engagement to raise awareness of certified Canadian wood and demonstrate its performance to decision-makers in India’s design and manufacturing sectors.



High visibility at INDIAWOOD 2026

FII India strengthened the visibility and branding of Canadian Wood at INDIAWOOD 2026, one of the globe’s leading trade fairs for furniture manufacturing and woodworking machinery. Canadian Wood’s high-visibility booth on a prime aisle garnered significant interest, thanks to its inclusion of a stained-wood panel display, raw lumber pallets and a lumber wall featuring five key species. Additionally, FII India partnered with manufacturers using B.C. species to showcase furniture in the booth, including a chest of drawers and a dining table with chairs made from hemlock, as well as a door crafted from yellow cedar.





Seminars build the business case for Canadian wood

FII delivered a series of seminars in Ahmedabad, Jaipur and Bengaluru to build awareness of Canadian wood species and their suitability for India's growing manufacturing and design sectors. Drawing approximately 200 participants from across the industry, the sessions covered sustainability, certification and Canadian wood's versatility for furniture, joinery and door jambes. Participants left the sessions with an understanding of the business case for how Canadian wood can help them manufacture high-quality, aesthetically appealing collections.



Social media reaches decision-makers

26,300+
social media followers,
across Facebook, YouTube,
LinkedIn and Instagram

423,872
impressions from 9
social media posts
during INDIAWOOD

5 publications
covered FII's participation
at INDIAWOOD

> Vietnam

Vietnam's furniture manufacturing sector is growing rapidly, marked by increasing production capacity, a skilled workforce and strong export performance.



Together, these trends create a strategic opportunity for B.C. wood as markets adjust to tighter hardwood supply and stronger demand for certified materials.

FII is capitalizing on this opportunity to build a commercially viable market for B.C. wood products by demonstrating their suitability for a wide range of applications and driving demand through design and market exposure.

This includes awareness of the Canadian Wood brand through product trials, technical education and targeted outreach to help manufacturers understand the attributes, performance and design potential of B.C. species. To deepen supply chain linkages, FII is connecting B.C. suppliers with Vietnamese manufacturers and major international furniture designers and buyers.



Strategies for growth

Build conditions for long-term growth by aligning certification recognition, expanding technical education and equipping manufacturers with the knowledge they need to use B.C. wood.

Demonstrate the value of B.C. wood in product trials and applications to help designers and manufacturers evaluate performance and recognize the commercial suitability of B.C. softwood in furniture manufacturing.

Drive demand through design and market exposure to position Canadian wood as a top choice for export-oriented manufacturers.



Building the conditions for long-term market growth



FII Vietnam’s integrated efforts—spanning education and product development—are equipping stakeholders across the sector with the knowledge and tools they need to confidently choose B.C. wood.

Advancing recognition of forest certification

Certification is increasingly important in Vietnam’s export-oriented furniture manufacturing sector, creating a strong opportunity to highlight that B.C. is home to 9.3 percent of the world’s certified forests. In 2025/26, FII Vietnam engaged industry leaders on the role of certification in supporting sustainable sourcing. Through in-country presentations, networking events and factory visits, FII advanced discussions on how certified wood from B.C. aligns with the market’s sourcing and production practices. These efforts also generated exposure through partners’ social media channels and leading industry publications.



Expanding skills through academic partnerships

In 2025/26, FII Vietnam deepened its collaboration with Ho Chi Minh City University of Technology and Education. Building on initial engagement in 2024, the partnership now includes syllabus-integrated coursework, with two modules delivered under the theme Canadian Wood: Sustainable Solutions for a Greener Future. FII Vietnam’s support in education and capacity building is equipping future engineers and designers with practical skills and reinforcing the value of Canadian wood within Vietnam’s manufacturing ecosystem.

Using trade shows to accelerate market development

Trade shows offer a valuable platform for building relationships and gaining real-time market insight, allowing manufacturers and buyers to connect and assess the commercial potential of B.C. wood in Vietnam's manufacturing sector. In 2025/26, FII Vietnam engaged with leading stakeholders across the wood and furniture sectors at three major trade shows. These high-profile events attract national media attention and provide a platform to maintain visibility and dialogue with manufacturers, designers, sourcing partners, and end-market buyers.

What made this year's trade show experience particularly powerful was seeing the results of FII Vietnam's proactive approach to linking product trials and design support with high-credibility exhibition exposure—providing a path for manufacturers to improve export readiness while creating real demand for B.C. lumber.



Over the past year, FII worked closely with high-priority manufacturers, providing product development input, designer coaching and exhibition preparation to improve market readiness. Three companies then showcased their new furniture collections, made from B.C. species, at HAWA, and five presented at VIFA, with all collections attracting strong interest from visitors. FII's co-creation model increased commercialization opportunities and strengthened manufacturer capabilities.



Trade shows deliver measurable results

3

tradeshows

3,500+

unique visitors engaged with Canadian Wood booth

90+

articles in major media outlets

5

TV news reports featured the Canadian Wood booth

100+

qualified leads



FII trade show booths at HAWA, VIFA and VietnamWood 2025 also served as entry points for one-on-one technical discussions on species selection and application suitability for specific product categories while raising awareness of the Canadian Wood Trial Program and the Product Development Capability Building Program. Visitors at all three events expressed keen interest in FII's colour panel display, with many requesting samples of the panels for reference and consideration.



Demonstrating the value of B.C. wood through product trials

FII Vietnam's product trial program transforms initial awareness into real-world evidence, guiding manufacturers through testing, refinement and product commercialization.

Product trials pay off

In 2025/26, FII Vietnam supported 34 product trials, with 28 successfully demonstrating that B.C. wood met the client's cost, technical and design criteria. These trials led to eight purchases to date, with further inquiries pending. For two B.C. suppliers, this was their first sale to Vietnam, opening the door for future sales into this expanding market.

As the examples below demonstrate, FII works side by side with manufacturers to support them as they begin working with B.C. species. FII's sustained technical and strategic guidance helps manufacturers reduce adoption risk, strengthen their market position and adopt higher-value business models that bring export-ready products incorporating Canadian wood to market.

Photos: FII Vietnam



Providing technical support to shift from rubberwood to hemlock

FII Vietnam is helping a furniture manufacturer evolve into an original design manufacturer capable of serving mid-market and premium brands. With FII's guidance, the company is building the capacity to study market needs and create original concepts, rather than relying on buyer-provided design briefs. The company's owner identified hemlock as the right material for a product line targeting trendsetting clients. In the first product development cycle, Canadian Wood supplied veneer and solid lumber and connected the company with a designer to create a hemlock bedroom collection that debuted at HAWA 2026 to strong interest. Going forward, subsequent development cycles will support the company's move up the value chain and into higher-value market segments.



From idea to trial to product

34
products trialed

28
met technical
and cost
requirements

7
products
showcased
at FII's trade
show booths at
HAWA and VIFA

Validating western hemlock in the ultimate furniture test

FII Vietnam partnered with a manufacturer who specializes in high-end hospitality furniture to test western hemlock in one of the most demanding furniture categories. Chairs must withstand load, impact and repeated use, making them the ultimate stress test for wood furniture.

Furniture testing plays a critical role in commercial and export manufacturing, ensuring products meet the recognized safety, durability and performance standards required by buyers. Strong test results provide a competitive advantage, especially when introducing new materials into established product categories.

Twelve chairs were produced in two designs and then manufactured in western hemlock and ash, a widely accepted hardwood benchmark. Testing against a United States furniture performance standard confirmed that hemlock met all of the requirements and performed comparably to ash in structural behaviour and joint strength.



Getting to know hemlock

FII Vietnam hosts seminars to introduce Vietnam’s furniture manufacturers and designers to hemlock’s properties and practical applications. This includes sharing data from third-party tests against established furniture standards showing that hemlock meets all of the performance requirements for strength and durability. In 2025/26, 40 representatives of export furniture manufacturers, design firms and stockists attended FII-hosted seminars to learn about hemlock’s performance and applications. These efforts have already led to three new hemlock product trials and additional requests for technical training from wood wholesalers.



Creating demand through design and market exposure

FII Vietnam is strengthening commercialization pathways by linking product trials, design development, buyer engagement and cross-market partnerships to generate real demand for B.C. species and expand their use across Vietnam's export-oriented manufacturing sector.

Showcasing the design potential of Canadian wood

FII Vietnam deepened the integration between designers and factories in 2025/26, turning material trials into commercial collections and reinforcing Canadian wood as a solid choice for design-led furniture production.



One example of how engagement between designers and manufacturers generates demand for Canadian wood happened when an Italian designer developed a dining set featuring Douglas-fir. After seeing the set and the positive response it garnered at the High Point Market 2025, Vietnamese manufacturer Minh Thanh grew its technical expertise and finishing proficiency with Douglas-fir to develop a full

Photos: FII Vietnam



bedroom collection. When an American furniture company sought to develop a new collection, Minh Thanh was able to respond immediately, securing a competitive advantage over other factories without prior exposure.

A parallel collaboration between a designer and manufacturer produced a contemporary line that blends deep finishes with soft curves to create export-ready designs that balance craftsmanship, durability and market appeal.





Supporting TAVICO's transition toward higher-value buying of B.C. lumber

FII Vietnam developed a customized training program covering B.C. softwood species, certification systems, grading rules and lumber sizing to support TAVICO's remanufacturing and wholesale business. As a result, TAVICO, one of FII Vietnam's long-standing stockist partners, and one of the largest importers of logs and lumber in Vietnam, is purchasing hemlock for stockkeeping rather than waiting for factory-specific requests. TAVICO is testing orders with two B.C. suppliers and is forecasting the need for 50 containers in 2026.

The program has evolved into a long-term partnership with annual training cycles and monthly followups. This engagement positions

TAVICO to move beyond transactional logistics into a value-added wholesaler role with a dedicated sales team capable of building a strong customer base to help accelerate the adoption of Canadian wood species across Vietnam.



Targeted support leads to new demand for western hemlock

Building on a Vietnamese manufacturer's introduction of thermally modified western hemlock into its sauna line in 2024, FII Vietnam worked closely with the manufacturer and its customer to align material specifications with supply availability. Through targeted, hands-on support that included educational sessions and a sawmill tour, the companies gained a shared understanding of lumber availability and optimal sizing to reduce waste, improve material recovery and strengthen confidence in scaling production for export markets.

FII Vietnam also helped the manufacturer secure access to western hemlock. By facilitating supplier-manufacturer dialogue, the company has established purchasing relationships with three B.C. producers. As a result, western hemlock is now a key material within the manufacturer's portfolio and the company is recommending thermally modified hemlock to other customers.

> Expanding our global reach

Market diversification is one of FII's most effective strategies for supporting stable, long-term demand for B.C. forest products and expertise.

In today's environment of economic uncertainty and unpredictable trade dynamics, market diversification is more important than ever. Since 2003, FII has invested in research and early-stage market development that has opened doors in China, Japan, Korea, India and Vietnam.

FII is pursuing this strategy in new markets, including Mexico, the Middle East and North Africa, where a growing construction sector provides tariff-free access for B.C. forest products. FII is also re-engaging with the U.K., Europe, Australia and New Zealand—countries that were historic buyers of B.C. wood and where shifting supply dynamics are creating new opportunities for B.C. producers.



Photo: Craig Carmichael, courtesy naturallywood.com

Establishing a hub in the U.K.

In 2025, FII established a presence in London as a base to pursue opportunities in the U.K. and beyond. The U.K. is the world's third-largest softwood lumber importer, and offers tariff-free access under the Canada-UK Trade Continuity Agreement. Domestic supply is limited and volumes from traditional European suppliers have been reduced as a result of beetle infestations in central Europe. At the same time, demand is accelerating: the country has set an ambitious target of 1.5 million housing starts over the next five years, with wood use growing to 40 percent of construction. The country's rising demand for sustainably sourced timber and its focus on low-carbon, prefabricated construction make it a strong fit for B.C.'s high-quality wood products.

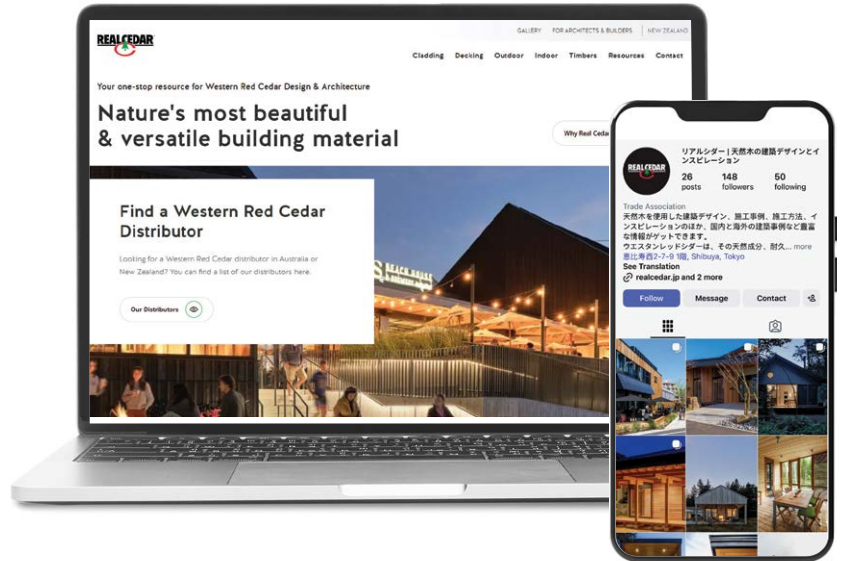
The U.K. is the **largest importer** of softwood in all of Europe, and the third largest in the world.

FII is actively engaging with importers, builders and government partners to position B.C. as a trusted supplier of high-quality, low-carbon wood products. Through research, education and targeted outreach, FII U.K. is advancing awareness of B.C. products and demonstrating how they are aligned with the country's modern methods of construction priorities.

Beyond the U.K., FII's U.K. presence will in time serve as an important hub to pursue opportunities for B.C. forest products across Europe, the Middle East and North Africa.

Growing markets for western red cedar

With FII support, the Western Red Cedar Lumber Association conducted a detailed market analysis in 2025 to identify where there are the greatest opportunities for western red cedar across priority regions. The analysis identified opportunities and challenges, as well as best strategies to reach targeted audiences of architectural firms, custom builders and buyers. Working with an advertising agency, the association updated existing websites, developed new content for social channels and launched tailored campaigns in New Zealand, Japan and the U.K. Early results are promising, including a significant rise in traffic to realcedar.co.nz.



Photos: Western Red Cedar Lumber Association

Promoting B.C. wood in Mexico



Photos: BC Wood Specialties Group

To expand opportunities in Mexico, BC Wood Specialties Group, with funding support through FII, is focusing on the country's high-end hospitality sector, as growth in tourism is driving increased demand for quality craftsmanship and unique aesthetic appeal. This segment is well suited to B.C.'s value-added wood products—including solid and engineered timber frame, cabinetry, glulam, architectural millwork, siding, roofing, and doors and windows.

To raise awareness of these benefits, BC Wood participated in BOND Diseñotel, a hospitality design event held in Puerto Vallarta in May 2025. B.C. companies met one-on-one with leading hospitality and resort architects, developers, designers and builders from across Latin America. In September, BC Wood invited Latin American and Mexican decision-makers from this event to attend the Global Buyers Mission held in Whistler, offering educational workshops, site visits to manufacturers and tours of completed projects in the Lower Mainland and along the Sea to Sky Highway.

> Industry resources

Forestry Innovation Investment produces a variety of resources intended to help support the growth and development of the B.C. forest sector—all of which are available to industry free of charge.



Photo: Nik West, courtesy naturallywood.com

BC Research Library

The BC Research Library houses resources on a wide variety of topics relevant to the B.C. forest sector, including market and export data, sector reports, and product, technical, building/construction and environmental information—all of which is funded and commissioned by FII and its funding recipients.

Visit bcfii.ca/research-library

Image Library

Recently updated to improve accessibility and the user experience, FII's Image Library has over 9,000 images and video clips showcasing everything from B.C. forests and forestry activities to manufacturing, building and construction, trade and overseas market use of wood products. All visuals are available to the B.C. forest industry and stakeholders at no charge, resulting in \$388,000 in savings in 2025/26.

Learn more at bcfii.ca/fii-image-library



Photo: Michael Bednar, courtesy naturallywood.com

naturally:wood

naturally:wood is an information resource showcasing British Columbia as a global leader in wood construction and a supplier of quality, environmentally responsible wood products from sustainably managed forests. Content includes the latest research on wood performance, carbon accounting, code development, prefabrication, mass timber construction, B.C. forestry management practices and much more.

Visit naturallywood.com



Photo: Nik West, courtesy naturallywood.com

B.C. Wood Supplier Directory

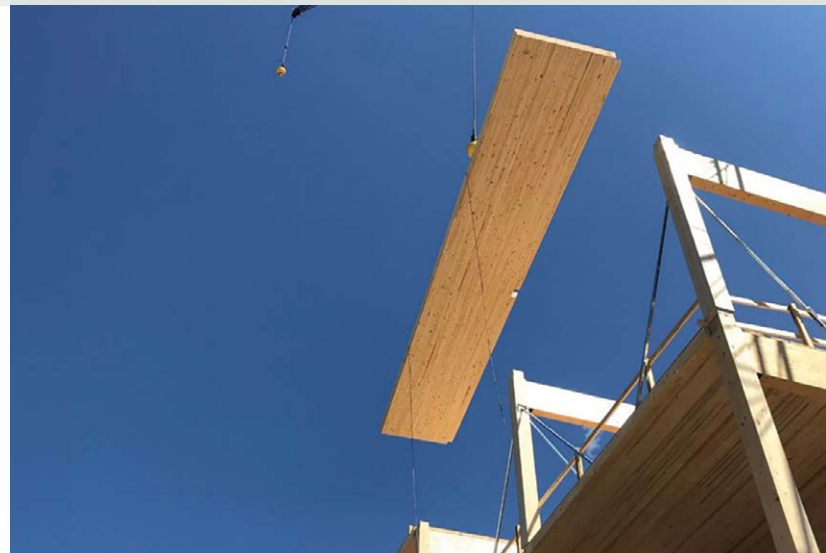
Recently updated to include prefabricated building solutions, the B.C. Wood Supplier Directory connects buyers with more than 400 forest product and service suppliers of high-quality, eco-friendly wood products, including dimension lumber, mass timber and engineered products, furniture, doors and windows, panels, pulp, paper and pellets.

Browse the Supplier Directory and/or ensure your business listing is up to date at naturallywood.com/suppliers

Wood Research Library

Developed and maintained by FII, the Wood Research Library connects researchers and practitioners to the latest research and resources on mass timber, light-frame wood building systems (five storeys and up). The database has around 3,500 research resources, with links to download reports and information.

Visit naturallywood.com/resources/wood-research-library



We welcome your comments on any aspect of our website, resources or programs. Please feel free to contact us at info@bcfii.ca.

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