



# TRANSITION PATHWAYS

# MESSAGE FROM THE EXECUTIVE TEAM

At our annual meeting in October 2021, we had the pleasure of celebrating the 5<sup>th</sup> anniversary of the founding of Quebec Net Positive. We looked back with gratitude on the years of exchange, dialogue, sharing and collaboration that paved the way for the exceptional teamwork that has enabled us to successfully deliver on our ambitious commitments over the past year.

In 2016, we began our efforts to raise awareness in the business community, knowing that the global economy was already rapidly moving towards a low-carbon economy and that Quebec had undeniable assets to take advantage of it. Our mapping of the low-carbon economy in Quebec, published in 2020, highlighted the key sectors where new business opportunities would multiply. In recent years, many of these sectors have seen billions of dollars in public and private investment worldwide.

Foreign countries are increasingly courting Quebec and Canada to gain access to the resources needed for the hydrogen, sustainable fuels, batteries and renewable energy sectors. However, to make a just transition to carbon neutrality, Quebec cannot limit itself to focusing on one particular sector or on the undue exploitation of its natural resources – no matter how “strategic” they may seem in the short term.



*The Québec Net Positif Founding  
directors: Michael Novak,  
Anne-Josée Laquerre et Alexandru Jordan.*

To meet the climate challenge, all sectors of the Quebec economy must now imagine and activate likely transition pathways. Pathways founded on sustainable innovation, a functional economy as well as products and services that have little or no impact on the climate, are less energy intensive and foster resilience. A successful economic transition also relies on nature-based solutions and land use planning that preserves and regenerates natural environments to maximize carbon sequestration and enable climate change adaptation. This vital balance between protecting our natural heritage and transitioning to a sustainable economy is a collective challenge to which all businesses – large and small – can and must contribute.

Achieving Quebec’s GHG emission reduction targets of 37.5% by 2030 compared to 1990, and the goal of carbon neutrality by 2050, will result in a profound transformation of the economic fabric in all regions of Quebec. It is crucial for Quebec’s economy that its nearly 250,000 small and medium-sized enterprises (SMEs), which employ more than 2 million people, are aware of the risks and opportunities of the transition and successfully engage in it.

Despite the constant uncertainties of public health – which tested our collective agility more than once – it is with the firm intention of contributing to helping Quebec SMEs take “one more step towards transition” that we conducted our awareness and mobilization activities throughout the year. With the support of experts, we learned to master – and appreciate – the virtual meetings mode that allowed us to share with business and transition actors from all over Quebec, with a minimal carbon footprint.

It's also with this same determination to take “one more step towards transition” that we carried out a strategic planning process and established our 2022-2025 action plan. Our sincere thanks to Michael Novak and the four new directors who have joined our Board of Directors: Charles Bernardi, Lucie Bourgeois, Frédéric Dumais and Félix Rhéaume for their invaluable advice (see their exceptional profiles on our website). Our sincere thanks to colleagues from the McConnell Foundation for their valuable financial and expert support. This allowed us to successfully implement our first year with a full-time executive director, a significant milestone after four years of volunteer-based activities! Thanks also to Rachel and Elyse who joined our team during the year and to Axel who joined us during the summer.

**“This vital balance between protecting our natural heritage and transitioning to a sustainable economy is a collective challenge to which all businesses – large and small – can and must contribute.”**

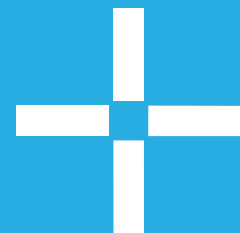
This year was marked by the meeting of many inspiring leaders and by the support of some thirty corporate, public and community partners and collaborators who joined in various initiatives throughout the year, including the Desjardins Group, Investissement Québec, the Government of Canada and EDC. We acknowledge their contribution and thank everyone who trusted us and provided financial support, expertise as well as the networks of organizations that care about the success of Quebec SMEs and our collective transition to a low-carbon, more just, prosperous and sustainable economy.

It is with enthusiasm and a sense of accomplishment that we share this 2021-2022 activity report today. We hope you enjoy reading it and that our paths cross again on the road to transition,

Anne-Josée Laquerre  
Executive Director and Co-Founder

Alexandru Iordan  
Vice-Chair of the Board of Directors and Co-Founder

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## 2021-2022 HIGHLIGHTS

Founded in 2016, Quebec Net Positive is an independent think tank whose purpose is to accelerate the transition to a low-carbon, “net positive” economy. This report highlights our approach, activities, and key achievements in the year 2021-2022.

**+5** Advisory roundtables

**+16** Virtual meetings: interactive workshops, round tables, panels and webinars

**+30** Mobilized partners and collaborators

**+600** Participations in our workshops and webinars

# OVERVIEW

## Our purpose

To accelerate the transition to a low-carbon, “net positive” economy.

## Our mission

To raise awareness, mobilize and equip Quebec businesses – specifically small and medium-sized enterprises (SMEs) – to help them seize new business opportunities, go beyond risk mitigation and activate their full potential to create positive impacts on society and the environment.

## Our bold vision

By 2050, Quebec will be the first “net positive” jurisdiction in America. In other words, Quebec will provide more services to the planet than its population and businesses need to live and operate.

## Targeted impacts

- + Maximize the reduction of greenhouse gases (GHGs) generated by Quebec companies on a global scale, while optimizing the creation of economic, environmental and social value on a local scale.
- + Enable the low-carbon and net positive economy to settle and prosper.

## Our role in bridging the gap

- + We act as a catalyst and intermediary to help create the right conditions for business engagement on climate change, particularly for SMEs.
- + Our logo is not a simple plus sign “+”:
  - It illustrates these essential “links”, these new ways of doing things that make it possible to take one more step towards a low-carbon economy, more just, prosperous and sustainable.
  - It is the expression of these bridges to be built in all directions, within sectors (vertical) and value chains (horizontal); between the Quebec’s regions and well beyond our borders; in all situations and all directions; between humans and nature.
  - It expresses our approach built around 4 strategic priorities that aims to constantly identify and implement these “links” essential to a successful transition.

Any emission reduction we collectively contribute to, no matter where on the planet, is meaningful and necessary because climate change knows no boundaries.

## Our values

### Boldness

We have a bold vision and imagine a “net positive” Quebec by 2050.

We are committed to creating new alliances, some of them temporary and complex, that can **dispense with old models to establish a thriving low-carbon economy.**

### Humanity

We value each other’s balance, the connection with others and with nature.

We celebrate diversity within organizations and the community. We enjoy working with people with diverse skills and backgrounds, in an **inclusive atmosphere where all differences are welcome.** We appreciate this unique “light” that makes every living being, every moment and every landscape exceptional.

### Leadership

We work from the perspective of “opportunities to be seized”, rather than “problems to be solved”.

We are constantly on the lookout for opportunities to mobilize key influencers and the resources needed for Quebec’s **economy to benefit from the transition** to a low-carbon economy on a global scale. Our **optimistic approach remains realistic and rigorous**, we are committed to a job well done, grounded in scientific knowledge and relevant insights from recognized sources.

### Commitment

We help businesses take one more step towards transition.

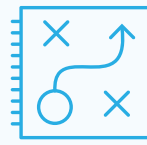
No matter where businesses and socio-economic stakeholders are on their own transition pathway, we establish a constructive dialogue with them to promote profitable and sustainable climate action. Our spirit of collaboration is driven by **respect for and recognition of each other’s reality, with the aim of generating mutual benefits and shared value in the short and long terms.**

## Our approach

### Accelerating the transition to a low-carbon economy. We trigger action!



Strengthen the will and capacity for action of businesses and their advisors



Promote the adoption of ambitious, even “net positive” transition pathways and inspire businesses to contribute to their full potential



Connect transition actors beyond their usual networks and create a climate conducive to transition

Key moments where we help inspire action and accelerate the transition

### On the way to a low-carbon and “net positive” economy

#### FROM

Linear economy, constantly growing

Abundance management

Established hierarchies

Competition, independence

Ownership and opacity of the data

Global supply chains

Product optimization

Excess, exploitation and erosion of resources and biodiversity

Short-term profitability

#### TO

Circular economy, consolidating

Scarcity management

Rapid, agile and dynamic reorganization

Coopetition, collaboration, interdependence

Data sharing and transparency

Local supply chains

Usage optimization

Sobriety, equity and regeneration of resources and biodiversity

Long-term sustainability

# STRATEGY & ONGOING INITIATIVES

Building on the new knowledge gained throughout the year, we successfully conducted a strategic clarity process. The reflection and complementary research took place from March to June 2022.

With the support of an Innoweave coach and members of our Board of Directors, we established a solid strategy for the next three years and targeted the most crucial initiatives to be implemented by 2025 to generate maximum impact.

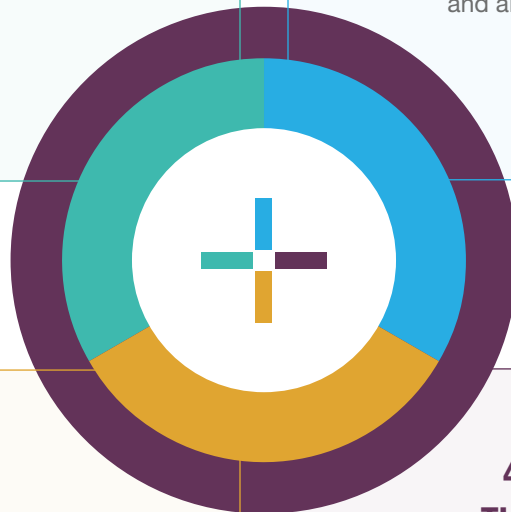
## 4 strategic priorities

### 1. ENRICH & SHARE KNOWLEDGE

Identify and bring forward useful knowledge to the transition of the Quebec economy and translate it in actionable insights for the benefit of businesses, including SMEs.

### 2. RAISE AWARENESS, MOBILIZE & EQUIP BUSINESSES

Strengthen willingness and build capacity for businesses to take action, implement cost-effective and sustainable climate actions, and align themselves on a low-carbon and net positive transition pathway.



### 3. SUPPORT KEY STAKEHOLDERS

Strengthen willingness and build capacity for key stakeholders across the business ecosystem to promote climate action, facilitate the move to action, and create a conducive climate for transition.

### 4. STRENGTHEN & ACTIVATE THE TRANSITION ECOSYSTEM

Identify opportunities to accelerate the transition and mobilize socio-economic actors to imagine and activate likely transition pathways by connecting them beyond their usual networks to foster new collaborations.



## Ongoing:

# MAPPING OF THE LOW-CARBON ECONOMY IN QUEBEC

## Overview

Originally published on June 5, 2020, the updated mapping issued on December 7, 2021 highlights the growth sectors that are positioned to take advantage of the transition to a low-carbon economy, as well as those that act as levers to accelerate the transition.

## Objectives

- + Highlight growth sectors and the main existing and emerging levers of Quebec's low-carbon economy ecosystem
- + Provide an actionable tool to simplify the identification of roadblocks to and drivers of the transition and facilitate stakeholders' mobilization as well as the activation of synergies
- + Promote recognition of the acceleration of the low-carbon economy in Quebec as well as the integration of this perspective into investments, infrastructures and economic development strategies
- + Provide essential knowledge for the eventual establishment of a Quebec Green Growth Barometer to gain a better understand of the current and future value of the low-carbon economy and to establish the levels of wealth and jobs associated with sectors and businesses aligned with a low-carbon future and their growth potential

## Achievements 2021-2022

- + Updated mapping to reflect changes in the low-carbon economy ecosystem since the initial publication
- + Continuous improvement of the database containing over 600 stakeholders involved in the transition in Quebec
- + See the [2021 mapping](#)

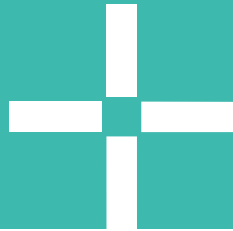


## To come in 2022-2023

- + Creation of a new Transition Barometer to provide evidence-based data in support of the mapping by assessing the level of commitment of Quebec businesses to climate action and the transition to a low-carbon economy
- + Release of a next update of the mapping to reflect the evolution of the transition, including additional definitions and emerging trends for each sector represented

## Partners





## Completed:

# CONSULTATIONS: NEEDS OF SMES IN THE CONTEXT OF THE TRANSITION

## Overview

In 2021, Quebec Net Positive and Green Economy Canada joined forces to hold consultations to explore the needs of Quebec SMEs in the context of an accelerated transition and assessing the relevance of establishing low-carbon economy hubs in Quebec.

## Key learnings

The consultations provided a portrait of the reality of Quebec SMEs and the business ecosystem in which they operate. Here are the main findings:

- + SMEs are not actively preparing to face the accelerated transition to a low-carbon economy: very few have conducted an inventory of their greenhouse gas (GHG) emissions and know their significant sources of emissions.
- + The lack of knowledge, the shortage of manpower, the post-pandemic recovery context and the absence of regulatory constraints are the main roadblocks to climate action by SMEs.
- + It is difficult for SMEs to access resources adapted to their needs.
- + Governmental targets established on a long-term horizon (2030-2050) are difficult to translate into short term objectives, at the scale of an SME.

Considering these observations, we were able to identify tangible needs, presented in the report.

## Achievements 2021-2022

# 151

participants representing both companies and stakeholders of the economic ecosystem

# 5

virtual, 2-hours, consultative roundtables

# 4

regional roundtables: Montérégie, Montreal, Outaouais and Saguenay-Lac-Saint-Jean

# 20

interviews

# 34

follow-up questionnaires

# 1

provincial roundtable

+ Consultation report and recommendations

- [Read the summary](#); [Read the full report](#) (french only); [Read the press release](#) (french only)

## Partners



## Supporters



### Ongoing:

# LOW CARBON SME

## Overview

“Low-carbon SME” is a key initiative through which we offer webinars, interactive workshops, panels, roundtables and other events designed specifically for the leaders, managers and employees of Quebec SMEs and the socio-economic stakeholders who support them within the business ecosystem.

During 2021-2022, 45% of participants were from SMEs. Equipped with this new knowledge, participants are better able to engage in a constructive dialogue with their stakeholders and target their efforts to access available resources for cost-effective and sustainable climate action.

## Achievements 2021-2022

### Events

#### + 1 major event

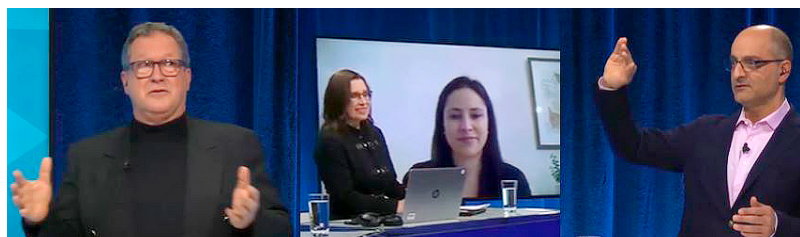
- “Low-carbon SME: One more step towards transition”  
[See the detailed program](#) (french only)
- Panel with 3 inspiring SMEs – [see the replay](#) (french only)
- Climate emergency: SMEs are part of the solution, by Alain Webster, Chair of the Quebec Government’s Advisory Committee on Climate Change and Professor of Environmental Economics at Sherbrooke University – [see the replay](#) (french only)
- Interactive workshop: Moments of truth – [see the replay part 1](#); [part 2](#) (french only)
- [See the acknowledgement video for our partners and collaborators](#) (french only)

#### + 6 webinars and interactive workshops

- Discover the low-carbon economy – [see the replay](#) (french only)
- Why reduce GHG emissions?  
Benefits and advantages of taking action
- How to reduce your GHG emissions?  
Cost-effective and sustainable climate actions
- Steering the transition: sectoral approaches and ACT® methodology
- Sustainable finance: Changing requirements of investors, banks and insurers – [see the replay](#) (french only)

## To come in 2022-2023

- + New training offering for SME boards of directors on their fiduciary duties with respect to climate change, establish effective climate governance, and better understand their role in helping the management team put their company on a low-carbon transition path in collaboration with the [Canadian Climate Law Initiative](#) – [read the press release](#)
- + Continued webinars and workshops to increase the number of people reached



#### + 3 roundtables

- Steering the transition: Turning words into action – [see the replay](#) (french only)
- Choices that pay off for a green recovery
- Low-carbon Transition: How much progress have Quebec SMEs made to date? – [see the replay](#) (french only)

## Publications

#### + 5 profiles of “Inspiring SMEs” (french only)

- [Imprimerie Ste-Julie](#)
- [Mini Cycle](#)
- [L’OEUF, Architectes](#)
- [Montres Solios](#)
- [Rousseau Lefebvre](#)

- + [Low Carbon SME, Year 1 Report: Key Findings & Activity Update](#) – [read the summary](#); [read the full report](#) (french only); [read the press release](#) (french only).

### Ongoing:

## LOW CARBON SME (CONT'D)

### Capacity-building

+ We accompanied a company to establish a Strategic Climate Action Diagnostic<sup>1</sup>. This diagnostic, adapted to the reality of Quebec SMEs by Quebec Net Positive and CCG, is based on key aspects of the evaluation and continuous improvement process *ACT – Assessing low Carbon Transition*<sup>®</sup>, part of the Solutions Agenda, supported by the United Nations Framework Convention on Climate Change.

The ACT<sup>®</sup> initiative created by [ADEME](#) and the [CDP](#), assesses an organization's readiness to transition to a low-carbon economy by using a forward-looking, sectoral methodology.



### Co-initiators

- Quebec Net Positive
- CCG<sup>1</sup>

### Main partners

- Desjardins
- Canada Government

### Collaborators

- ADEME
- BDC
- CDP
- Compétivert, an Investissement Québec initiative
- Export & Development Canada (EDC)
- Finance Montreal

### Youth support

- Association étudiante du développement durable dans les affaires de l'Université Laval (AÉDDA)
- Coalition Interdisciplinaire pour une transition écologique (La CITÉ)
- Conseil canadien de la jeunesse pour le développement durable en affaires (Re\_Generation)
- Desautels Sustainability Network
- John Molson Sustainable Enterprise Committee
- Humani-Terre

### Outreach partners

- Accélérer 2030 pour le Québec
- Comité 21
- Conseil des industries durables (CID)
- Coop Carbone / MOBIS Économie verte Canada
- Écotech Québec
- Fonds d'action québécois pour le développement durable (FAQDD)
- Fédération des chambres de commerce du Québec (FCCQ)
- Foire Écosphère et le Festival des technologies vertes
- GRAMÉ
- Groupé Maurice Rive-Sud
- Jeune chambre de commerce de Montréal (JCCM)
- Maison du développement durable
- Parcours Développement Durable Montréal
- Partenariat Climat Montréal
- Pivot
- PME MTL Est-de-l'île
- Republik
- SAESEM

<sup>1</sup> As of March 31, 2022, Low-Carbon SME is a neutral and independent initiative of Quebec Net Positive, which is now continuing its implementation. We would like to thank the firm CCG, which co-initiated the initiative with us during the period from March 5, 2021, to March 31, 2022. CCG has integrated the Strategic Climate Action Diagnostic into its individual business coaching offer.

## Ongoing:

# NET POSITIVE LEADERSHIP

## Overview

Involvement in various events and consultations related to the transition to a low-carbon economy.

## Achievements 2021-2022

### Leading panels and roundtables

- + Launch of the Observatoire de recherche sur l'économie verte (OREV) project of Université Laval, roundtable organized by Quebec Net Positive as part of the Quebec Green Economy Week – [see the replay](#) (french only)
- + The new purpose of businesses, panel organized by a group of business leaders
- + Integration of ESG criteria in businesses, panel organized by the Manufacturiers et exportateurs du Québec

### Panelist

- + Screen sharing on CSR in Quebec, Maison du développement durable – [see the replay](#) (french only)
- + The carbon market and its impact on business decisions, Association des économistes du Québec
- + Strategic forum on the integration of ESG criteria in companies: “The transformation of companies: an unavoidable change”, Chambre de commerce du Montréal Métropolitain

### Consultations

- + Submission to Canada's Net-Zero Advisory Body consultations
- + Participation to the Grand rendez-vous de l'innovation québécoise, Conseil de l'innovation du Québec
- + Participation to the discussion on the creation of a collective roadmap for the achievement of the SDGs in Quebec, ACFAS congress, colloquium “Mettre en œuvre les objectifs de développement durable: méthodes, enjeux et défis pour la recherche de solutions et les partenariats”, by invitation, Accelerate 2030 for Quebec



## To come in 2022-2023

- + Continued active participation in various events and consultations related to the transition to a low-carbon, net positive economy
- + New action research program to better understand how to help SMEs imagine and implement likely transition pathways and connect transition leaders beyond their usual networks

## BOARD OF DIRECTORS



**Michael Novak**  
Board Chair<sup>1</sup>



**Alexandru Iordan**  
Vice-chair &  
Co-Founder<sup>1</sup>



**Charles Bernardi**  
Treasurer



**Anne-Josée Laquerre**  
Secretary, Executive  
Director & Co-Founder<sup>1</sup>



**Frédéric Dumais**  
Director



**Lucie Bourgeois**  
Director



**Félix Rhéaume**  
Director

<sup>1</sup> Founding director

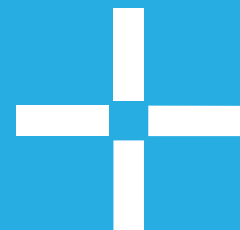
### Board of Directors Initiatives

#### Achievements 2021-2022

- + Appointment of four new directors at the Annual Meeting in October 2021
- + Creation of three Board committees:
  - **Executive Committee**, composed of Michael Novak, Charles Bernardi and Anne-Josée Laquerre
  - **Strategy Committee**, composed of Alexandru Iordan, Charles Bernardi, Lucie Bourgeois and Anne-Josée Laquerre
  - **Public Relations Committee**, composed of Frédéric Dumais, Félix Rhéaume and Anne-Josée Laquerre
- + Active contribution to the strategic planning process and 2022-2025 action plan, with the support of a coach from Innoweave
- + New accounting firm selected: Raymond Chabot Grant Thornton

#### To come

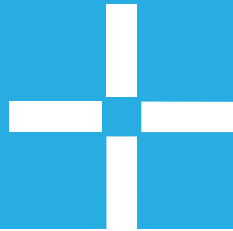
- + By 2025, we aim to expand the Board to nine directors committed to the success of our purpose, mission and vision.



## OPERATIONS AND NET ASSETS

Year ended July 31, 2022

	2022	2021
	\$	\$
<b>REVENUES</b>		
Contributions		
Federal	248,662	131,907
Provincial	65,000	5,000
Companies	110,434	2,921
Other not-for-profit organizations	63,280	11,720
Other revenues	7,722	150
Interest	218	
	<b>495,317</b>	<b>151,698</b>
<b>EXPENSES</b>		
Salaries and employee benefits	229,661	70,152
Professional fees	113,473	46,642
Communication, translation, printing, production and distribution expenses	95,158	11,762
Computer expenses	6,692	6,129
Insurance	2,769	667
Office supplies and expenses	1,541	315
Entertainment and corporate activities	1,423	128
Payroll expenses	942	270
Training	477	175
Taxes and permits	462	420
Advertising	193	14,967
Interest and bank charges	143	71
Travel	449	
Rental expenses	356	
	<b>453,739</b>	<b>151,698</b>
<b>Excess of revenues over expenses and changes in net assets, end of year</b>	<b>41,578</b>	<b>-</b>

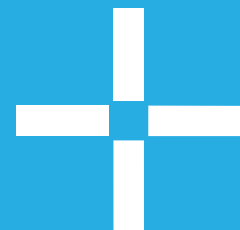


# FINANCIAL POSITION

July 31, 2022

	2022	2021
	\$	\$
<b>ASSETS</b>		
Current		
Cash	140,847	207,695
Trade and other receivables		5,749
Prepaid expenses	3,552	2,002
	<b>144,399</b>	<b>215,446</b>
<b>LIABILITIES</b>		
Current		
Trade payables and other operating liabilities	18,118	25,339
Deferred contributions (Note 3)	84,703	190,107
	<b>102,821</b>	<b>215,446</b>
<b>NET ASSETS</b>		
Unrestricted	41,578	
	<b>144,399</b>	<b>215,446</b>





## NOTES TO FINANCIAL INFORMATION

July 31, 2022

### 1 - GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION

The Organization was incorporated under Part III of the Companies Act (Quebec) for the purpose of raising awareness, equip and mobilize Quebec businesses to help them take advantage of the low carbon economy. It is a not-for-profit organization under the Income Tax Act.

### 2 - BASIS OF ACCOUNTING

The accounting method used in preparing the financial information is based on historical cost taking into account cash transactions as well as items reflected in the financial information and the following particulars:

#### Revenue recognition

The Organization follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenses are deferred and are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized as revenue when earned.

During the year, the Organization retrospectively changed the method of accounting for revenue recognition. Previously, the Organization recognized revenue and receivables in the excess of revenues over expenses and net assets when it was received or receivable, whereas the Organization should have recognized the restricted revenue only when the criteria is met. This change resulted, for the year ended July 31, 2021, in a decrease in revenues of \$227,185, a decrease in the excess of revenues over expenses of \$226,861 and a decrease in the beginning net assets of \$2,922. In addition, this change resulted, as at July 31, 2021, in a decrease in short-term assets, through trade accounts and other receivables, of \$117,038, an increase in short-term liabilities, through the addition of deferred contributions, of \$71,168 and a decrease in ending net assets of \$229,784.

### 3 - DEFERRED CONTRIBUTIONS

	2022	2021
	\$	\$
Balance, beginning of year	<b>190,107</b>	2,922
Current year contributions	<b>384,972</b>	338,733
Amounts recognized during the year	<b>(487,376)</b>	(151,548)
<b>Balance, end of year</b>	<b>87,703</b>	190,107



## OUR PURPOSE APPEALS TO YOU? CONTACT US!

[INFO@QUEBECNETPOSITIF.CA](mailto:INFO@QUEBECNETPOSITIF.CA)



Quebec Net Positive is a member of **Accélérer 2030 Québec**, a coalition of citizens and organizations committed to accelerating the realization of the 17 United Nations Sustainable Development Goals (SDGs) to guide Quebec's prosperity between now and 2030.

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This report was published on October 24, 2022