



Supply Chain

1. Purpose

This Policy sets out the Canadian Nuclear Laboratories Ltd. (CNL) strategic objectives and standards for Supply Chain Management.

2. Roles and Responsibilities

The CNL Management System Manual defines the organizational responsibilities, authorities and accountabilities.

The implementation this Policy is the responsibility of all executives, managers, supervisors, and employees of CNL who are involved in activities associated with Supply Chain Management.

The establishment and review of this policy is the responsibility of the President and Chief Executive Officer.

The Board of Directors is responsible for the authorization of this policy.

3. Policy

This policy sets out the strategic objectives and standards across Supply Chain Management activities to support CNL's purpose of:

“Advancing nuclear science and technology for a clean safe world.”

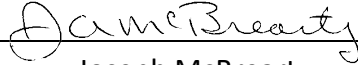
Effective procurement activity and a capable supply chain are critical for CNL's mission to:

- restore and protect Canada's environment by reducing and effectively managing nuclear liabilities;
- provide the world with sustainable energy solutions including the extension of reactor operating lifetimes, hydrogen energy technologies, and fuel development for the reactor designs of tomorrow;
- together, with partners, demonstrate the commercial viability of advanced reactor designs including Small Modular Reactor (SMR);
- work collaboratively with medical/educational institutions and pharmaceutical companies to pioneer new alpha therapies for cancer treatments that save countless lives; and,
- leverage all of our capabilities for commercial success in Canadian and international markets.

To achieve this CNL will:

1. Ensure fair, accessible, open and competitive procurement is undertaken to the highest professional standards, ethics and conduct through its processes, people and behaviours.
2. Maintain a Supplier Code of Conduct ensuring its suppliers take responsibility for their own conduct and adhere to high ethical standards for compliance with the law, human rights and employment practices, anti-bribery and corruption and anti-competitive behaviours. CNL does not tolerate any forms of human trafficking, child or forced labour.
3. Implement Sustainable and Green Procurement practices that reduce environmental impacts and support community engagement, economic development (locally, regionally and across Canada), diversity and inclusion (including, small and medium-sized enterprises, local and Indigenous businesses) where capability exists, and ensure a sustainable and safe work environment for CNL staff and its suppliers.
4. Facilitate and enable Indigenous businesses and communities to gain access to contracts capacity-building opportunities in support of their socio-economic goals. CNL will engage with local Indigenous communities to help define objectives and targets that will increase participation in contracting and procurement opportunities, and develop concrete mechanisms in support of those objectives.
5. Establish and maintain a Supply Chain Strategy that promotes collaboration and provides agility, flexibility and best value to CNL and AECL by leveraging good industry practice.
6. Apply a graded approach to its Supply Chain activities based on value, complexity, and risk.
7. Undertake all Supply Chain Management activity in accordance with applicable laws and CNL's obligations under its agreements with AECL, and ensure all relevant CNL requirements (e.g., Safety and Health) are appropriately reflected and adhered to within the supply chain.
8. Maintain skills and a right-sized, sustainable workforce by optimizing decisions to make (self-perform) or buy (utilize external sources).
9. Develop, maintain, integrate and optimize a capable, qualified and healthy supply chain for CNL and the Canadian nuclear industry, with the requisite knowledge, skills, expertise, experience, and security clearance.
10. Ensure Supply Chain Management decisions balance relevant factors including optimal use of labour, financial and other resources, as well as analysis of longer term costs and benefits.
11. Identify, access, assign, mitigate and manage risks that may threaten delivery, supply chain or wider organizational activities.
12. Work collaboratively with suppliers to advocate continuous improvement and commercial innovation by facilitating appropriate technological, commercial and organizational developments to deliver best value.

13. Provide visibility and transparency of appropriate opportunities through CNL's Supply Chain Strategy and Procurement Plan to encourage improved planning, collaboration and market access.
14. Ensure sound supply chain financial control within robust corporate governance.



Joseph McBrearty

President and Chief Executive Officer

2022 March 22

Authorized by the CNL Board of Directors as of 2022 March 22.

This document will be reviewed for accuracy and applicability by 2022 November 16.

Revision History

Rev. No.	Date	Details of Rev.	Prepared By	Reviewed By	Approved By
3	2022/03/10	Issued as "Approved for Use" The content in this document was reviewed at the 2022 March CNL Board of Director's meeting.	K. Ibrahim	M. Steedman	J. McBrearty
3D1	2022/03/02	Updated references to indigenous community and facilitating their accesses to CNL contracting and procurement opportunities.	K. Ibrahim	M. Steedman	
2	2021/11/10	Issued as "Approved for Use" The content in this document was reviewed at the 2021 November CNL Board of Director's meeting.	L. Anderson		J. McBrearty
2D1	2021/09/28	Issued for "Review and Comment" Updated to new template to be endorsed by the President and Chief Executive Officer. No content changed.		L. Anderson	

1	2020/11/11	<p>Issued as "Approved for Use"</p> <p>The content in this document was reviewed at the 2020 November CNL Board of Director's meeting.</p>	C. Charbonneau	M. Steedman	J. McBrearty
1D1	2020/10/08	<p>Updated to new template to be endorsed by the new President and Chief Executive Officer.</p> <p>Policy Standards removed to focus on CNL amended Policy Statement covering a stronger position on sustainability and supplier code of conduct.</p>	C. Charbonneau	M. Steedman	
0	2017/11/09	<p>Issued as "Approved for Use".</p> <p>Removed from 900-505210-PDD-001 as a stand-alone document.</p>	C. Charbonneau	M. Steedman	M. Lesinski