



PROCUREMENT POLICY

Purpose and Scope

The purpose of this Policy is to provide clear guidance regarding the procurement of goods and services at EDC, so as to ensure acquisitions are made in a manner that is open, fair, transparent, accessible, sustainable and efficient; in accordance with applicable legislation and trade agreements; and in alignment with EDC’s risk management practices. The Policy is applicable to all EDC employees (including those seconded to a subsidiary) who are engaged in procurement-related activities.

Compliance with Trade Agreements

As a public entity, EDC must comply with obligations under the Canadian Free Trade Agreement (CFTA) and the Canada-European Union Comprehensive Economic and Trade Agreement (CETA). As such, EDC is committed to using procurement practices that do not unfairly or unnecessarily inhibit the participation of suppliers in competitive procurement processes.

Guiding Principles

Procurement practices at EDC are led by our corporate values and guided by the following principles:

- Procurement activities comply with all relevant legislation and trade agreements, EDC’s Code of Conduct and EDC’s Third-Party Risk Management Program including the [Supplier Code of Conduct](#);
- Procurement decisions are documented and able to stand the test of public scrutiny for openness, fairness, and transparency;
- Appropriate contractual approvals are obtained before entering into a contractual relationship with a supplier;
- Legal, financial, reputational, environmental and social risks are identified and managed in alignment with EDC’s risk management practices;
- EDC obtains best value for money;
- EDC creates an inclusive and environmentally responsible supply chain, by fostering participation in our procurement processes of Certified B corporations and historically underrepresented groups (businesses owned by women, Indigenous people, minorities/visible minorities, persons with disabilities, veterans, and members of the 2SLGBTQ+ community); and
- Policy exceptions are reserved for extraordinary circumstances.

Requirements

When purchasing goods and services, procurement spend thresholds define the procurement processes which must be followed, as defined in the following table:

Dollar Value	Requirement
< \$100,000	Minimum one (1) quote / proposal required. Process administered by EDC business team.
\$100,000 to \$600,000	Minimum three (3) quotes / proposals required, including at least one diverse supplier where available. Process administered by EDC business team.
> \$600,000	A public competitive procurement process administered by EDC’s Procurement Department and a tender notice posted publicly on a tendering system designated by the Government of Canada

Operational Risk Management Committee

Provides guidance or direction on third-party risk management and procurement and contracting related matters. This includes, but is not limited to, reviewing and advising on concerns or complaints raised by suppliers regarding EDC’s procurement processes, as outlined in the “Supplier Complaint Review Process”.

Review Process and Accountabilities

This Policy is reviewed at minimum every three (3) years by the SVP & Chief Financial Officer and recommended for endorsement by EDC’s Risk Management Committee and approval by the President and CEO.

The SVP & Chief Financial Officer is accountable for the effectiveness of this Policy and responsible for its development, implementation, and maintenance including approval of any exceptions. The Procurement Department is responsible for providing advice on the application of this Policy and all procurement related matters and recommending changes as appropriate.

This Policy is supported internally by the Procurement Guideline and procedures.

Version 1.0

Policy Owner: SVP & Chief Financial Officer

Effective Date: September 30, 2022

Next Review Date: September 30, 2025