
STRATEGIC PLAN

2018-19



INTRODUCTION

This strategic plan does not represent business as usual for National Nuclear Laboratory (NNL). It comes at a seminal moment, as the nuclear sector navigates a turning point, and as the UK's Industrial Strategy and Nuclear Sector Deal set a new course for the future - and so we must transform our business. Our people are at the heart of that transformation. It is their talent and expertise that drive our business.



Paul Howarth, CEO

The market dynamics in the sector are changing and NNL will adapt its capabilities in response. The sector faces a clear imperative to innovate in order to secure the place of nuclear in the UK's energy mix and to position the nuclear supply chain to access international opportunities. NNL will play a leading role in making this happen, bringing in learning from other sectors and helping innovators to join the nuclear supply chain. NNL has always been a pioneering organisation.

As we transform to be fit for the future and forge our role driving innovation in the sector, we are reorganising to align to our vision, purpose and strategic goals, focusing on our enduring values, and making sure that nothing compromises safety in any circumstances.

NNL is starting to fulfil its potential as a 21st century national laboratory, drawing on our deep understanding of the UK's remarkable nuclear history and assets. The establishment of the new, government-funded Nuclear Innovation and Research Office (NIRO) and a new long-term contract to support our biggest customer - Sellafield Ltd - as its strategic technical partner clearly demonstrate the strong base on which we are building.

In all our commercial work, we are determined to be closer and more responsive to our customers. Only by providing an excellent service will we achieve the growth in revenue and earnings to reinvest set out in this strategic plan. We are rightly proud of our commercial model, but the continued commercial success we seek is to a purpose: as we grow our earnings, we will be better able to invest in the people, facilities and science that the nuclear sector will need in the future.

As part of our future growth, there is scope for investing in innovative products and services, and for increasing our international reach. But we will remain crucial to the success of the national programmes of today, and will not be distracted from focusing on delivering to time, cost and quality for our customers.

ABOUT NATIONAL NUCLEAR LABORATORY

Who we are

NNL is a company owned by the UK government, employing around 900 people, most of them highly qualified experts in a variety of scientific and technical disciplines. We are currently going through a multi-year change programme to make us fit for the future, including aligning our business more closely to our customers.

What we do

Our expertise covers all aspects of nuclear fission, including the full fuel cycle, reactor operation, waste management and clean-up, security and non-proliferation, and advanced technologies. Through science, technology and innovation we help the nuclear industry succeed, typically saving our customers and UK taxpayers between £0.5bn and £1bn every year.

Our operating model

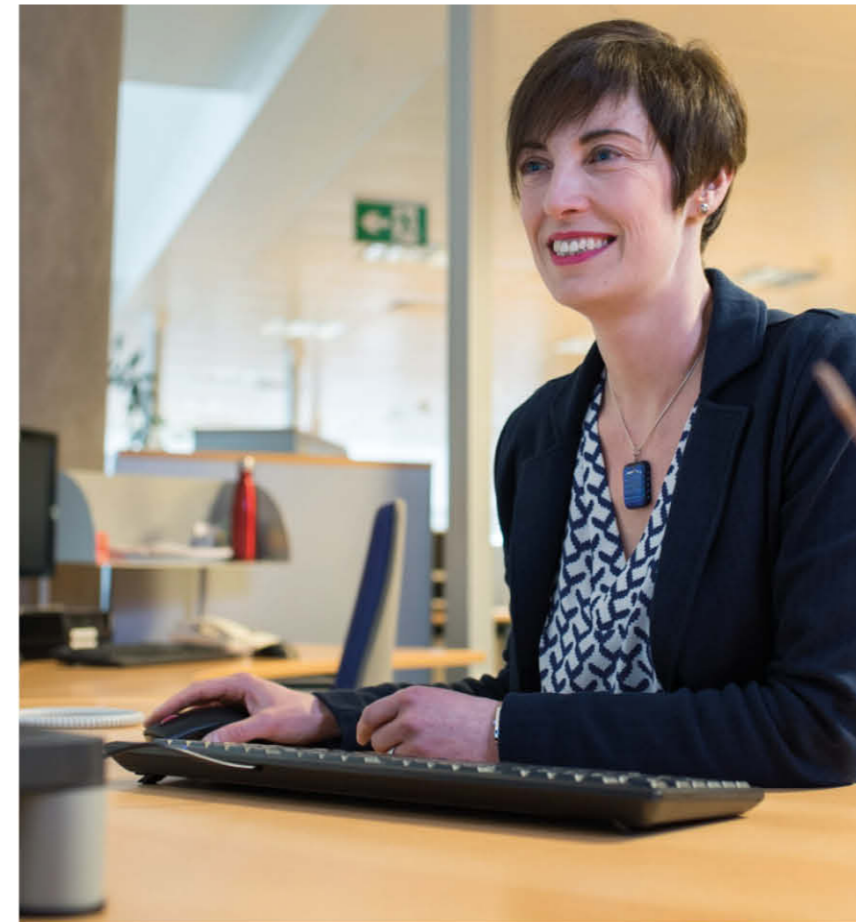
Unusually for a national laboratory, we are run on a commercial basis, and are funded through commercial contracts with our customers. We deliver to time, cost and quality to generate earnings which are fully reinvested in our business to enhance capability and innovation for the sector. We provide impartial advice to government through NIRO, which is separated by an ethical barrier from our commercial operations.

What differentiates us

We are the custodian, with our public-sector partners, of many of the UK's unique nuclear facilities, and are inheritors of the UK's long history of nuclear expertise, exemplified by more than 10,000 person-years of technical experience. We occupy the mid-technology-readiness-level space between academic research and industrial deployment, which places us ideally to help put innovative ideas into practical use, leveraging our extensive network of partners.

Our market

The UK's nuclear sector remains strategically important and has the opportunity to play an enhanced role; however, more remains to be done to secure that future. The first new nuclear power station for decades is under construction at Hinkley Point in Somerset. If the sector can successfully compete on cost with other low-carbon technologies, there is potential for a diverse new-build fleet including both further large power stations and small modular reactors. The waste management and decommissioning mission for the civil legacy continues as a priority, but expenditure has started to peak. The closure of the two reprocessing plants at Sellafield by 2021 has important implications for the UK skills base and the future of the site's unique assets. Globally, the trend is largely towards decommissioning in long-established markets (notably in Japan and Germany), while new build progresses very quickly in the Middle East and in China.



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Our Operating Model

VALUE AND PURPOSE

We refreshed our vision and purpose in 2017, to create clarity and certainty in NNL's direction as we build our strategy and transform our business.

Values: our DNA

Our values inform everything we do, and are at the heart of our thinking as we redefine NNL for the future.

A broad range of NNL's people were involved in creating this new expression of our values, and many more are now engaged in ongoing work to make sure that our commitment to living the values reaches every part of our business.

Safety
in everything we do

Customer
delivering value, sharing success

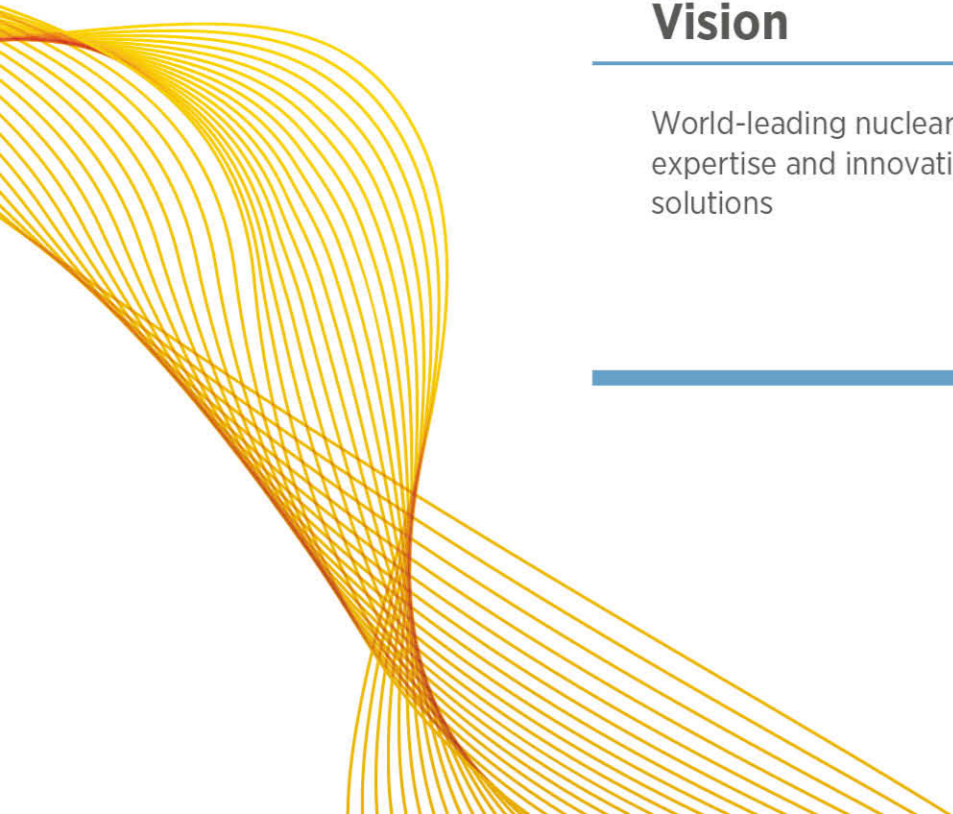
Integrity
doing the right things right

Taking responsibility
solving the problem, owning the solution

Enthusiasm
enjoying what we do, inspiring others

Collaboration
being inclusive, unleashing potential

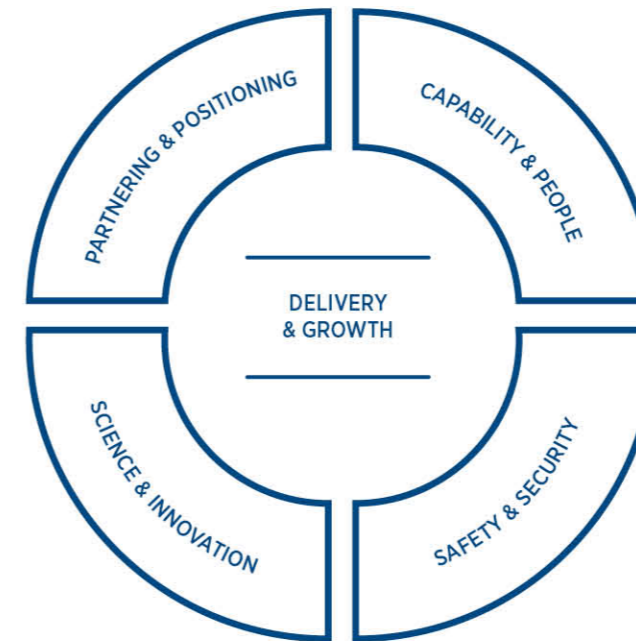
Vision	Purpose
World-leading nuclear expertise and innovative solutions	To serve the national interest and create value for our customers, by pushing the boundaries of science, technology and innovation.



OUR STRATEGIC GOALS

NNL's four strategic goals add definition to our purpose, and are supported by our values. Everything we do will contribute to at least one of these goals.

<p>Be the trusted national laboratory</p> <p>Provide expert and impartial advice, leveraging our living network, such that our work is understood and sought out both in the UK and internationally.</p>	<p>Sustain and grow our business</p> <p>Deliver innovative solutions that create value for our customers, generating earnings to reinvest through our unique self-funding operating model.</p>	<p>Foster unique capabilities</p> <p>Reinvest our earnings wisely in order to maintain and develop facilities, our people and our expertise in science, technology, nuclear operations and safety.</p>	<p>Shape the agenda</p> <p>Drive the UK's nuclear research, helping the UK be a top-tier nuclear nation, and grow our influence as we add value to the sector globally.</p>
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This plan sets out a summary of where we are aiming to get to, in the form of strategic outcomes for each of these four strategic goals. And at the end of the plan, an infographic summarises the actions we will take in order to get there, grouped into five themes.

Safety and security
Safety, the first of our values, is an absolute necessity across the nuclear sector, and can never be compromised.

In 2017 we paused for safety across the business, and committed to four 'Pause for Safety' sessions each year. We will continue our ongoing cultural drive to ensure that concerns relating to safety or security are always reported in any circumstances, and we are making sure that essential procedures do not get in the way of common sense.

The theme of safety and security runs through this strategic plan.

BE THE TRUSTED NATIONAL LABORATORY

NNL's role as a national laboratory is more important than ever in the current context, as:

- The UK prepares for a post-Brexit world, with the spotlight on the nation's assets and expertise in high-tech areas including nuclear;
- The Industrial Strategy and Sector Deals take shape, with cost competitiveness of nuclear generation an important goal;
- Reprocessing operations cease at Sellafield, shifting the balance of work on the site significantly further towards decommissioning and clean-up;
- The UK embarks on a new build programme and a funded programme of nuclear R&D.

As an independent, government-owned company, engaging strategically with industry through partnerships such as the one with Sellafield Ltd, we are uniquely placed to help identify and bring innovative technologies and practices into the nuclear sector. In doing this, we need to be trusted by industry, by the supply chain and by academia to identify technology and bring it through the innovation pipeline in the interest of the wider sector.

The establishment of the Nuclear Innovation and Research Office (NIRO) encompassed within NNL, separated by an ethical barrier and operated on an independent arms-length basis from our commercial operations, has provided a transparent way for the UK Government to procure expertise.

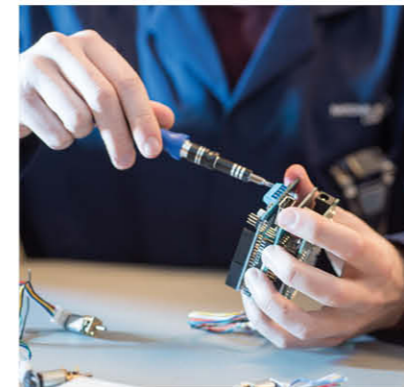
NIRO's current focus is on delivering work for the Department of Business, Energy and Industrial Strategy (BEIS) on

- The Nuclear Innovation Programme
- Small modular reactors and advanced reactors
- The shaping of the international nuclear energy agenda for the UK

NIRO is staffed by NNL and nuclear industry employees, making it an innovative and effective vehicle for providing impartial, up-to-date and authoritative advice to policy-makers in government.

Strategic Outcomes: Be the trusted national laboratory

- The impartial technical advisor to the UK Government on all aspects of nuclear fission, working hand-in-hand with government and trusted by industry
- The trusted gateway to the UK for international nuclear science, technology and innovation, ensuring that the UK is recognised as a leading nuclear nation
- Supporting the aims of the Industrial Strategy and underpinning delivery of the UK's major nuclear programmes through strategic partnerships
- Acknowledged technical expertise reflected in a significantly increased level of funded research



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SUSTAIN AND GROW OUR BUSINESS

NNL's commercial work in the UK remains dominated by three major customers: Sellafield Ltd, EDF Energy and Ministry of Defence / Rolls Royce. We greatly value all three long-term programmes of work, and are keen to ensure that we are delivering the maximum value possible.

Our key customers, including Government Chief Scientific Advisors, sit on an advisory board tasked with directing our profit back into targeted R&D. That means strategic, mutually beneficial relationships; our long-term, collaborative contractual arrangement with Sellafield Ltd is one good example. It also means determinedly focusing on delivering to time, cost and quality.

We have diversified our customer base only slightly in recent years. We believe there is now scope to do so considerably further in order to sustain and grow our business. Our initial focus on growth is domestic, but we also plan focused growth in our international work.

Sellafield Ltd – a model partnership

Sellafield Ltd has signed a new Technical Services Agreement with NNL, putting our technical work for our biggest customer on a long-term (17-year) footing and creating a new joint programme management office. This allows us to engage and to deliver value at a strategic level, and is consistent with our role as the UK's trusted national laboratory. The agreement is structured so that success will increase our margin of earnings to reinvest (ETR) as revenue reduces through efficiency savings.

As Sellafield Ltd's strategic technical partner, NNL aims to be an enabler for Sellafield as it accelerates risk reduction, improves cost efficiency, reduces lifetime costs, and implements its outsourcing strategy.

We see a vital part of our role as identifying innovations in technology and practices that can be brought into the nuclear sector, and taking them through the mid-levels of technology readiness so that they can be deployed onsite.

The agreement also creates a single point of entry for the wider supply chain, creating a more efficient way for supply-chain companies to access opportunities for technical work at the Sellafield site.

We see the Technical Services Agreement with Sellafield Ltd as a potential model for our relationships with other commercial customers, particularly those in the public sector where we are working together in support of national programmes.

In the longer term, we are working with Sellafield Ltd towards a deeper relationship in which analytical services are provided by NNL from our Central Laboratory on the Sellafield site, with our supply-chain partners, through a long-term contract. The partnership also brings the potential for mutual growth through innovation and external opportunities.

EDF Energy

EDF Energy and NNL signed a Lifetime Enterprise Agreement (LEA) in 2017, with the vision of "providing a through-life science & technology partnership through a lifetime contract". We are committed to delivering value to EDF Energy by enabling our customer to achieve its goals as we reorient our presence in the south west of England to align to the shape of the 21st century nuclear industry.

Our ongoing contract for Supply of Engineering Services and Support (notably post-irradiation examination) is currently in a second 5-year term. We then envisage the potential for further work under the LEA, and are keen to support EDF Energy's new build programmes.

Ministry of Defence and Rolls-Royce

NNL has a history of working with the Ministry of Defence (MOD) on a sub-contracting basis through Rolls-Royce, providing capability to support the UK's submarine operations.

We hope to develop a sustainable, collaborative relationship with MOD, similar to those we have in place with Sellafield Ltd and EDF Energy. We believe this will help us add most value at a time when the defence budget is under pressure. We aim also to broaden the scope of our work in the defence sector, including working with other defence and research establishments to support submarine operations, the submarine dismantling programme, new-build, nuclear training and research.

Nuclear new-build

The new-build market in the UK is evolving, and we are developing NNL's offer to companies active in nuclear new-build.

We will enhance our own capability in reactor technology, drawing on our expertise in generic design assessment, reactor operation support, fuel cycles and waste management and decommissioning.

We aim to build on our existing Lifetime Enterprise Agreement with EDF Energy and our developing relationships with Horizon and NuGen in order to be well placed to add value to all developers.





Nuclear decommissioning

In addition to our partnership with Sellafield Ltd, we have a long-established and important relationship with the Nuclear Decommissioning Authority (NDA) and its other site licence companies, with a current programme of U-carbide and low-enrichment uranium work at Dounreay in particular.

NNL has extensive experience in waste management and decommissioning, and we are keen to win further work in this field, where possible as a strategic technical partner.

Other customers and markets

NNL undertakes work for other businesses in the UK nuclear sector, including Westinghouse and Urenco. These are valued relationships which we are keen to build on, including establishing a presence close to customers to support delivery and build the relationship. We are also looking beyond the nuclear sector where our expertise and technology may be applicable. For example, the global market in radio-isotopes faces relatively limited supply. We believe that NNL has an opportunity, working with UK partners, to create an isotope supply business,

building initially on the work we have been doing for the European Space Agency on the space use of the Americium isotope ^{241}Am . This could include potential in the medical isotope market as well as niche power generation. NNL is actively pursuing the isotopes opportunity. It will take time to bring to fruition but it shows the potential for innovation in our own business. Our plans to grow our international business are covered in the next section.

Strategic Outcomes: Sustain and grow our business

- Significantly increased revenue and ETR from a diversified UK customer base in order to maintain and develop strategic capabilities and expertise
- An international income stream that significantly impacts ETR and is commercially sustainable
- A diversified, value-led offering to UK and international customers, balanced between technical delivery, products and strategic advice, with innovation at its core
- Extended deep relationships within the sector including some consolidation and commercialisation of strategic UK capability

SHAPE THE AGENDA

NNL's position as a national laboratory, sitting at the heart of an extensive network and advising the government on a range of nuclear technical issues, shows the role we already play in shaping the agenda within the UK. An example of this is our work contributing directly to UK Government's Industrial Strategy and to the Sector Deal for nuclear.

We envisage playing a larger role in shaping the agenda in future years as we focus our UK commercial work around the innovation imperative.

We also already play an important role internationally, evidenced for example in our work in support of a US-UK treaty on civil nuclear and the Japanese clean-up effort at Fukushima. As the UK prepares to leave the EU, and bilateral relationships in the sensitive nuclear arena require more direct attention, we anticipate work of this nature becoming ever more important.

We intend that this will be accompanied by an expansion of our commercial work overseas.

Our Living Network

NNL delivers in part through our Living Network: our links to academia, other UK national labs (such as the Culham Centre for Fusion Energy and the National Physical Laboratory), national laboratories overseas (especially CEA in France and the US laboratories) and the wider supply chain (notably small and medium enterprises active in the nuclear sector).

We will make the most of these valuable links as we provide the service and access to our unique capabilities and facilities that our partners deserve. This in turn will help us to create more value, both to our commercial customers and as the UK's national laboratory. In particular we are keen to enter a new phase of closer collaboration with other national laboratories in order to deliver innovation.



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NNL the innovator

Bringing meaningful innovation to the nuclear sector, while essential, is a complex challenge. NNL has always been at the forefront of nuclear innovation, bringing our expertise and pioneering spirit to solving some of the industry's most intractable problems.

NNL is in the business of scientific research and development, and aims to bridge the 'valley of death' in terms of technology readiness level between pure research led by our academic partners and industrial deployment by our commercial customers. We have therefore always been in the business of innovation and have a proven track record.

We are also a business with an innovative structure: a national laboratory that is funded by its commercial revenue and that reinvests its profit into its own capabilities. Now, as the nuclear sector faces a major challenge to innovate in order to compete on cost with other low-carbon technologies, we will enhance our innovation capabilities considerably, branching into new and exciting areas that promise to have a huge impact on the nuclear industry.

Innovation into nuclear

Technological advances in fields such as robotics, artificial intelligence and new materials have already had dramatic effects in many industries but their effect on nuclear has thus far been relatively modest. NNL has growing expertise in these areas and has links to more through its living network. The nuclear sector has lagged behind for various reasons including the complexity of adopting disruptive technologies and the lack of a driving imperative to embrace them.

At NNL, we believe that the nuclear sector can and must learn from others, using these new technologies in order to improve safety, improve efficiency and reduce costs. NNL will play an enduring role in bringing innovation into the nuclear sector, a role that we are currently scoping in consultation with our customers and stakeholders.

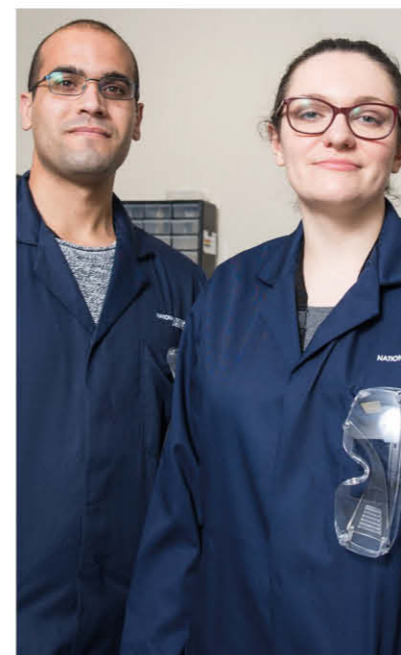
NNL's Big Tech Initiative

In November 2017, NNL convened a round-table event to bring innovators from other sectors together with leaders in the nuclear sector for the first time in order to start a conversation about what might be possible, the key focus areas for innovation and how nuclear can adopt the best from others. Momentum has built, support is widespread and the 'Big Tech' initiative holds considerable potential to bring much needed disruption to key parts of nuclear sector. It is another example of where NNL is uniquely positioned to catalyse activity in the nuclear sector.

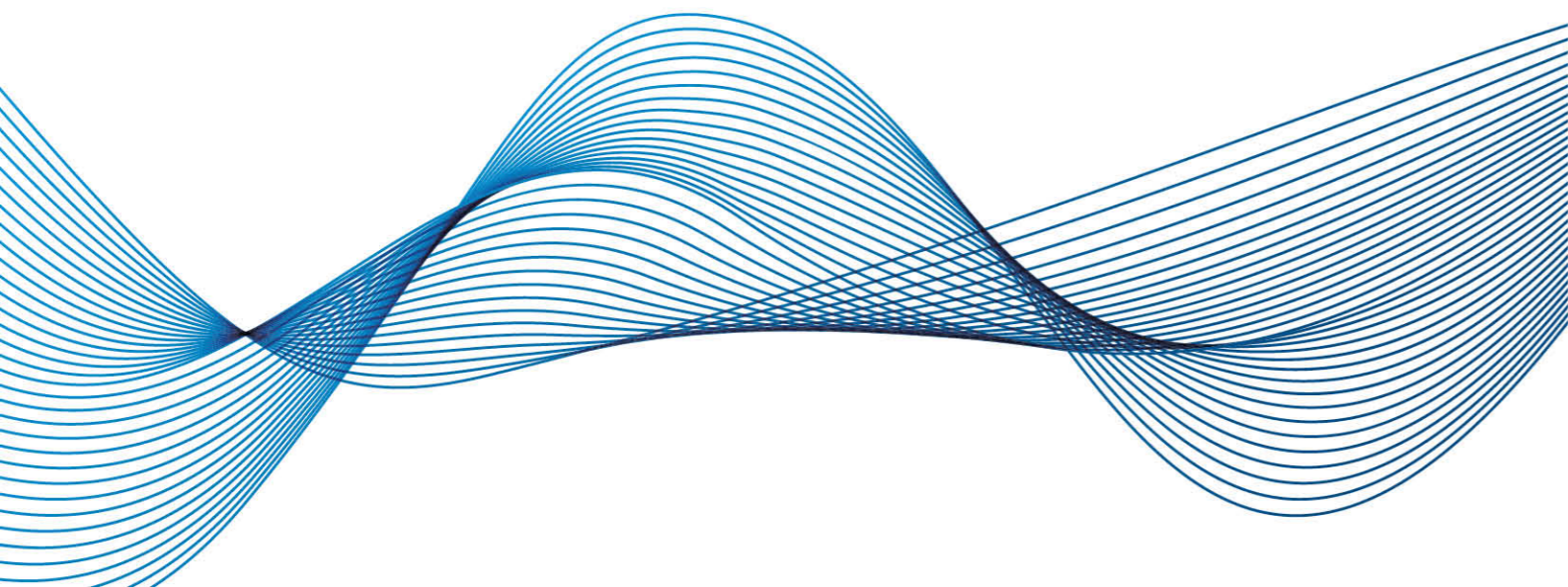
Innovation from nuclear

While the primary focus is on adopting innovation from outside the sector, nuclear also has much to offer other sectors. Some innovations developed in the nuclear sector will have applications in other industries, and NNL will actively explore the commercial potential here. One example is techniques and technologies developed for the unique decommissioning challenges at the Sellafield site, which may have use in the field of oil and gas decommissioning.

If we can develop new revenue streams, for example through licensing our intellectual property, we can generate more earnings to reinvest in our own capabilities, to the benefit of the UK's nuclear sector.



Bringing meaningful innovation to the nuclear sector, while essential, is a complex challenge.



Innovation – the supply chain

It is part of NNL's role as national laboratory to help ensure that the nuclear industry has the robust private-sector supply chain that it needs. We are looking at ways to lower the barriers for supply-chain companies including SMEs and start-ups to access our facilities, and through our partnership with Sellafield Ltd we are helping ensure that work is undertaken by the best athlete.

Innovus, the successful innovation support programme which we ran in Cumbria with Sellafield Ltd and the University of Manchester, may be a model for further intervention over a wider geographic area in future, as we develop our innovation strategy.

Reactor lifetime technology

As the balance in investment in the UK nuclear sector shifts from waste management and decommissioning to new build, NNL will ensure that we have the capabilities to meet the requirements of our industry customers and also the expertise to provide impartial and authoritative advice to government. This means growing our current capability in reactor operation support to become a larger capability covering more aspects of reactor technology and reactor lifetime management.

The University of Bristol is proposing to build a nuclear innovation facility, NUCLEATE, which would focus on reactor lifetime management including advanced materials, robotics and sensors and digital innovation and provide a flexible environment where fundamental research can be combined with industrial experience to drive commercial innovation. The precise nature of NNL's involvement in NUCLEATE is to be determined but initiatives such as this will form a core part of NNL's collaborative innovation model. Indeed, it could also be a model for future innovation hubs elsewhere in the UK.

International strategy

NNL's commercial aspiration remains to significantly increase the proportion of our revenue from international markets over a ten-year period. We are working with the Department for International Trade and others to establish where we can add most value as a national laboratory and where our offering has the most potential commercially and where we can meet future demand through targeted internal investment in capability that meets UK and international requirements. We anticipate partnering on a commercial basis with large companies with global reach. In Japan we have built strong relationships and secured a number of contracts in recent years. We are considering options for an enduring local presence to support opportunities relating to Fukushima Daiichi decommissioning and residues and waste processing for Japanese material in the UK.

NIRO has worked to implement the UK-China Joint Research and Innovation Centre, through which organisations (including NNL) will be able to bid for funded collaborative work with China National Nuclear Corporation (CNNC) or a subsidiary. The tendered packages of work will be aligned to NIRO-identified research programmes.

NNL sits on the UK-China Working Group chaired by the Department for International Trade and maintains regular contact with the Beijing Embassy. We are interested in commercial opportunities that build on the expertise we have developed working in support of UK programmes, in particular in decommissioning and waste management.

In the USA, NNL has built close relationships with a number of other national labs and businesses. In 2015, we signed a Statement



of Intent and Confidentiality Agreement with the Department of Energy and the Nuclear Decommissioning Authority. These allow for information exchange while the US and UK governments work towards a Nuclear Treaty. NNL has also worked under contract with organisations such as EPRI and partnered with the American Nuclear Society and the US Nuclear Infrastructure Council, including their inward missions to the UK. NNL is considering new business opportunities, especially where our experience in the UK may be relevant to challenges in the US.

NNL has also had some success in pursuing commercial opportunities across Central and Eastern Europe, in particular waste management and environmental services. We will focus our offering in this region, putting in place enablers to maximise its potential and establish NNL as a regional partner of choice.

Strategic Outcomes: Shape the agenda

- A recognised role as innovator and facilitator of innovation, adding value to our customers and serving the national interest
- Increased influence as a result of successful delivery as national laboratory and leveraged by a strengthened living network
- A raised international profile for NNL that helps us win work and support the UK nuclear sector globally
- An international reputation, characterised by other national labs proactively seeking NNL advice on their own domestic agendas



NNL's commercial aspiration remains to significantly increase the proportion of our revenue from international markets over a ten-year period.

FOSTER UNIQUE CAPABILITIES

NNL fosters unique capabilities by reinvesting our earnings in order to maintain and develop our facilities, our people and our expertise in science, technology, nuclear operations and safety. This helps us to be the trusted national laboratory, to sustain and grow our business, and to shape the agenda in the UK and beyond.

In order to ensure that we invest wisely, we have established new customer and investment committees and a new strategic planning process. Our Technical Advisory Board (which includes representation from our customers and stakeholders across the nuclear sector) continues to provide independent oversight of our self-funded programme of research and innovation.

As we scope our role in delivering innovation into the nuclear sector, we will look to invest in unique capabilities, partnering with others through our living network.

People

Our people are the bedrock of our organisation and our greatest source of ideas and innovation. As part of NNL's change programme we are recruiting externally including in technical, strategic and customer-facing functions, encouraging NNL employees to achieve chartership or other forms of professional recognition where appropriate, and leading programmes of leadership development, culture and scientific excellence.

Science and Technology

NNL's scientific and technical expertise is core to our ability to meet our customers' needs and to be the trusted national laboratory.

In addition to bolstering our capability in technical areas where needed, we aim to increase the size of our self-funded R&I programme from around £3m per year to at least £10m per year in the next decade, and to improve the leveraging of this funding through more effective partnering with our living network.

Our current Science and Technology Strategy sets out a five year programme reflecting our aspiration that NNL be recognised as the UK's premier nuclear science and technology organisation, with an international standing that places it in the top ten of similar organisations globally and the leading international player in at least five fields of nuclear science and technology.

It commits NNL to:

- Delivering profitable S&T programmes that aggressively drive innovation into national/international nuclear programmes while maintaining strategic nuclear capability;
- Developing outstanding people who deliver quality, grow reputation, and exercise influence;
- Operating leading-edge facilities that enable national and international R&D collaborations.

We will develop the strategy further to reflect the importance of innovation at the heart of NNL's mission and capabilities, and to ensure that we are well placed to deliver world-leading and unique research. This will mean:

- More focused IR&D and an enhanced innovation programme;
- Stronger technical career development and innovation culture;
- Better integration with the facilities strategy, with wider access for external partners for innovation.

Facilities

NNL is the custodian on behalf of the UK of a suite of unique facilities, and we need to ensure that they continue to receive the investment they need to serve the needs of the nuclear industry of the future.

A key part of our role as national laboratory is to allow others to access our facilities where appropriate; similarly, some of our own requirements can be met through accessing facilities operated by other parties, both in the UK and internationally.

Our plutonium-handling facility is now commissioned and operational, and will be the site of significant programmes of work for many years to come.

In the next ten years we see the need for:

- A significant investment in Central Laboratory in order to accommodate the transfer of Sellafield Ltd's analytical services function and to complete commissioning of new high-active cells;

- Funding and work to start on a replacement or major refurbishment for the Active Handling Facility at our Windscale Laboratory;
- A potential new model of innovation hubs, bringing together academic and private-sector partners in order to facilitate innovation across the nuclear sector;
- Modernisation through the rest of NNL's estate, including the office sites.

Windscale Laboratory

NNL's Windscale Laboratory is a unique facility, with 13 shielded cells linked by an active corridor. It is able to offer unrivalled flexibility in provision of essential handling and inspection services to customers, including post-irradiation examination (PIE) of nuclear fuel and irradiated materials, radioactive waste processing, handling of radioactive sealed sources, and materials analysis.

The Windscale Laboratory is vital to the UK's nuclear industry but it is an old facility which, without major investment, would face closure in the 2030s.

An active handling facility will be required by the nuclear sector for the foreseeable future, however, so NNL will make the case for options to sustain this critical capability, in consultation with our customers and stakeholders.



Strategic Outcomes: Foster unique capabilities

- Recognised expertise across the nuclear fuel cycle, in innovation, in safety, and in relevant technologies beyond the sector including capabilities unique in the UK
- An innovative, agile and outcome-driven organisation supported by highly engaged people
- A programme of self-funded research and innovation that makes a significant and measurable impact
- A suite of world-leading flexible facilities that continue to meet the sector's requirements

HOW WE WILL GET THERE

Our strategic actions are summarised in this diagram.

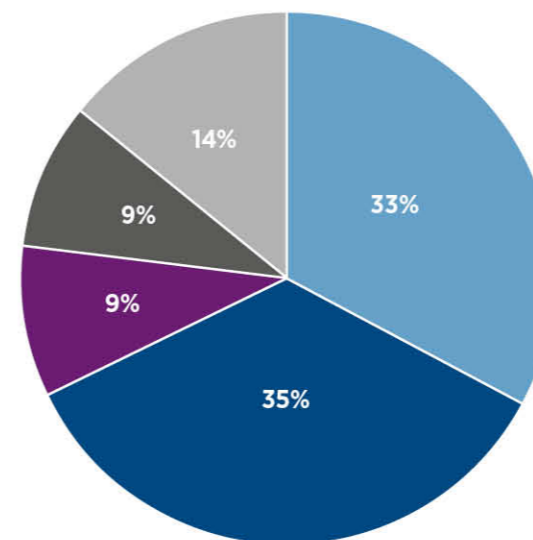
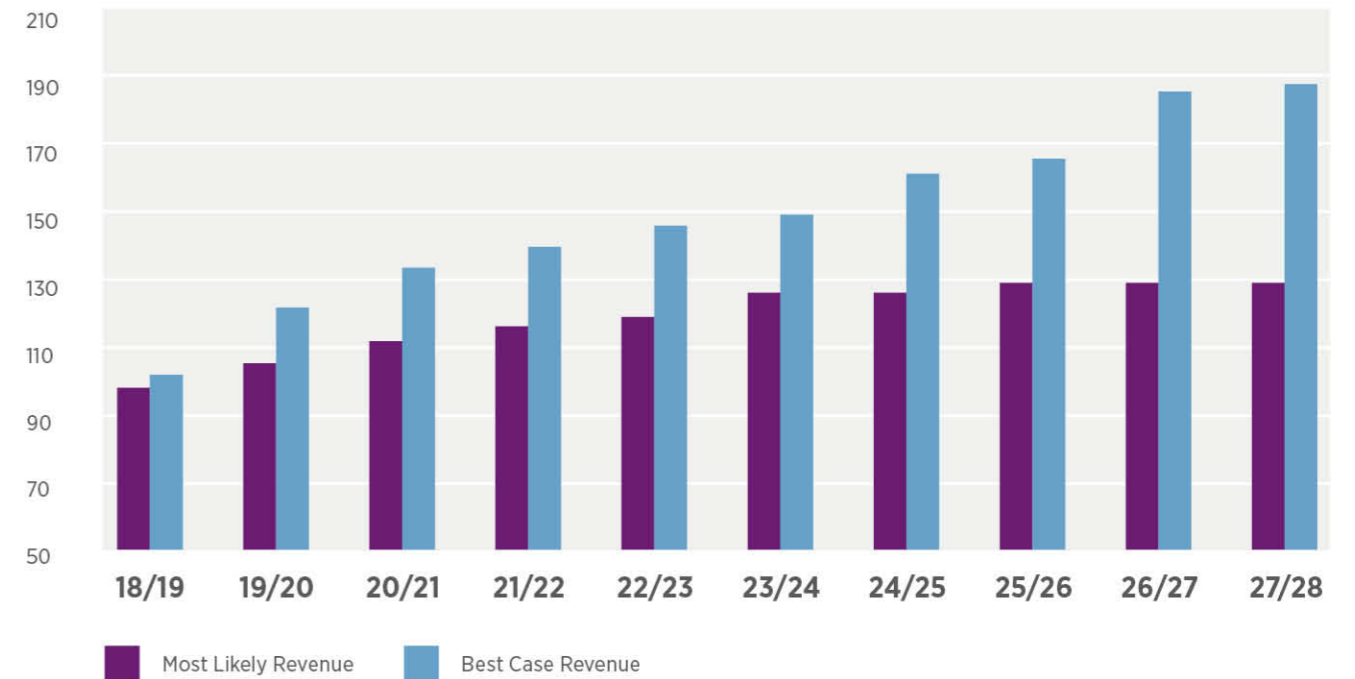


FINANCIAL OUTLOOK

NNL has sufficient insight into future demand for our services to be able to forecast our finances over a relatively long 10-year planning horizon. This reflects both our close working relationships with our major customers and the fact that major programmes in the nuclear sector tend to span many years (sometimes decades). Inevitably, however, the forecast for the latter part of the period is significantly more approximate than for the first few years.

The most likely and best-case scenarios for revenue growth are shown in the graph below. Revenue growth is not an end in itself for NNL, but strong performance will allow us to increase our earnings to reinvest (ETR), which enable us to invest further in the people, facilities and science that the nuclear sector will need in the future. That strong performance depends on delivering our strategic actions and thus achieving the outcomes described in this strategic plan.

£m Revenue



NNL will take a principled approach to future investment, which will be divided between science and technology (S&T), safety and security, facility infrastructure (including equipment), continuous improvement (including culture and people programmes) and business development. An indicative split over the 10-year period is shown in the chart below, and we envisage total investment over the 10-year period of over £200m. This will enable NNL to offer world-leading nuclear expertise and innovative solutions for decades to come, serving the national interest and creating value for our customers.

- S&T
- Business Development
- Facility Infrastructure
- Continuous Improvement
- Safety & Security

SUMMARY

NNL is a changing organisation in a changing market, but our strategic direction is clear.

We exist to serve the national interest and create value for our customers by pushing the boundaries of science, technology and innovation. That means being the trusted national laboratory, building on the successful establishment of NIRO and our strategic partnership with Sellafield Ltd, and sustaining and growing our business by serving our commercial customers well, growing our customer base, and expanding our capability and the range of products and services we offer in response to the changing nuclear sector. We see a growing role for NNL as the innovation lead for the sector, and want to grow our capabilities in reactor technology and security and safeguarding.

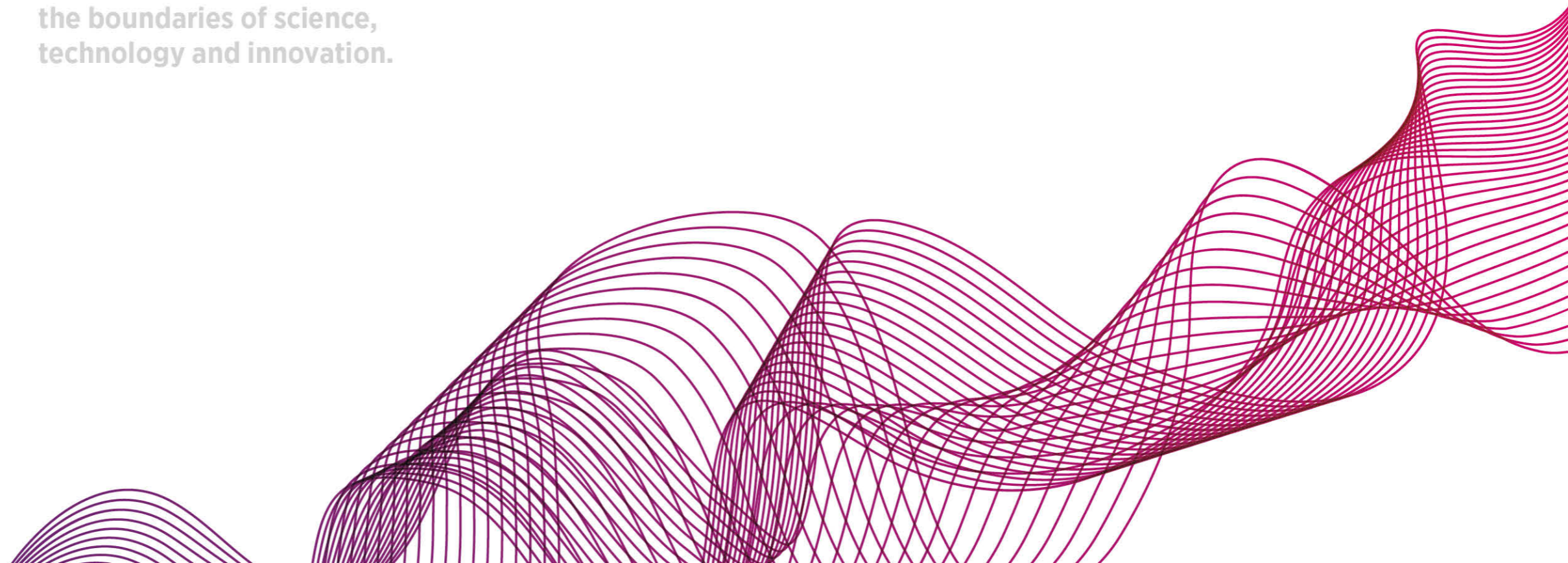
We are restructuring our business to be fit and ready to do this in an efficient and effective way, and to ensure that we remain true to our enduring values.

Those values are what drive us, but we are also proud that our commercial model gives us the right incentives to deliver to time, cost and quality. We aim to flourish commercially and to grow our earnings to reinvest in our unique capabilities.

If we succeed, we will contribute significantly to a safe, secure, competitive and ultimately successful nuclear sector, help secure the place of nuclear generation in the low-carbon energy mix of the future, and add value to our customers by addressing their challenges and contributing to their success.



We exist to serve the national interest and create value for our customers by pushing the boundaries of science, technology and innovation.





NATIONAL NUCLEAR
LABORATORY

