

RADIOACTIVE WASTE MANAGEMENT LIMITED
(the "Company")

Minutes of the 3rd meeting of the directors of the Company
held at NDA's offices, Building 587, Curie Avenue, Harwell, Oxford OX11 0RH and (via
videoconference) at Herdus House, Westlakes Science and Technology Park, Moor Row,
Cumbria CA24 3HU and Eland House, Bressenden Place, London SW1E 5DU
CA24 3HU on 24th April 2014 at 09.30 a.m.

PRESENT:

Dr Adrian Simper	(Chairman)
Mr Bruce McKirdy	(RWM Managing Director)
Mr Alun Ellis	(RWM Science and Technology Director)
Professor Charles Curtis	(Independent Non-Executive Director)
Mr Claes Thegerstrom	(Independent Non-Executive Director)
Professor Melanie Brownridge	(NDA nominated Non-Executive Director)
Mr Rob Higgins	(NDA nominated Non-Executive Director)
Mr Jon Phillips	(NDA nominated Non-Executive Director)

IN ATTENDANCE:

RWM HSSE Director
RWM Waste Management Director
RWM Company Secretary

1 NOTICE AND QUORUM

- 1.1 The Chairman reported that, notice having been given to all directors of the Company, a quorum was present. There were no apologies for absence.
- 1.2 The Chairman reminded the directors of the need to consider their general duties, including those contained in the Companies Act 2006, in considering such matters.

2 CHAIRMAN'S INTRODUCTION

- 2.1 The Chairman welcomed the attendees to the meeting and noted the transformation of the organisation into a wholly owned subsidiary from 1st April 2014. A number of changes in the industry took place on the same date.

3 HEALTH, SAFETY, ENVIRONMENT, SECURITY AND QUALITY ISSUES

- 3.1 The RWM HSSE Director noted that there was one minor injury and one near miss in March. A member of staff fell outside the office and sustained minor facial injuries. Following an investigation, no facility related contributory causes were found. A monitor fell off its base as it was not properly secured. The monitor has been fixed and other monitors of this type in the Harwell office have been checked to ensure this does not reoccur.
- 3.2 There were four security events in March. The incidents have been followed up with staff and, because a number of the recent events have been associated one team, the line management of the team has been requested to raise this with their staff. In general, security performance is good.
- 3.3 A Level 1 meeting has been held between RWM Directors and senior regulatory staff from the Environment Agency and the Office for Nuclear Regulation (ONR).
- 3.4 CoRWM is holding a public meeting on 30th April as part of a visit to Sellafield. The public meeting has attracted significant local interest. Neither RWM nor NDA will be in

attendance. It was agreed that it would be very helpful if CoRWM could communicate a summary of current arrangements for interim storage at Sellafield. The RWM HSSE Director will arrange this.

- 3.5 The Secretary of State has issued a written ministerial statement regarding the thermal modelling error. It concluded that the corrected figures had no substantive impact on policy or previous decisions.
- 3.6 The Managing Director explained that a presentation regarding the thermal modelling error has been provided to the whole company, technical and management reviews have been carried out and a lessons learned project is under way. A report will be provided to the June RWM Board meeting.
- 3.7 The HSSE Director provided an overview of the Safety & Environmental Key Performance Indicators, noting the successful subsidiary formation and good progress on recruitment. It was noted that all KPIs are green bar the Organisational Development indicator, which remains on amber pending progress with the modelling project.
- 3.8 The Board discussed whether the waste producers would agree with the RWM assessment of waste packaging. Feedback from a customer survey is due in June/July 2014. It will be interesting for the Board to see the feedback. The Managing Director explained the prioritisation programme which the RWM Waste Management Director will be overseeing. It was suggested that all the package producers to meet to work together to agree priorities for RWM. It was agreed this would be helpful but the focus on Sellafield will always need to be recognised.

- 3.9 The Board noted the Report.

4 MRWS DEVELOPMENTS:UPDATE

- 4.1 The Managing Director provided a verbal update on MRWS Developments. RWM are providing support to DECC to produce a white paper by July 2014. This now included a requirement for National Geological Screening to be led by RWM.
- 4.2 The output of the screening will be a series of maps indicating the extent to which different geographical areas have the potential for geological disposal. This will allow RWM to focus engagement on more likely areas and will provide and open, transparent and peer reviewed information to communities.
- 4.3 The draft white paper also includes details of a community investment package. The text on this figure remains subject to Treasury approval.
- 4.4 Further clarity has been provided on the RWM role in communications and engagement. The DECC role will be to raise awareness of policy at a national level. The RWM role will be to engage nationally and locally to create conditions for volunteer communities coming forward.
- 4.5 The Board noted the update.

5 ROLE OF RADIOACTIVE WASTE MANAGEMENT LIMITED

- 5.1 The Chair introduced the paper on the Role of RWM in Higher Activity Waste Management. The Management Board had raised the question of the role of RWM late last year. The RWM Executive has identified options and has brought a recommendation to this Board. NDA Strategy has also reviewed it to ensure it is compliant with the rest of the NDA strategic options.
- 5.2 The Managing Director explained that the RWM Mission Statement (“to deliver a geological disposal facility and provide waste management solutions”) was the starting point for the analysis. The report focuses mainly on the waste management solutions aspect and covers a range of options and analysis.

- 5.3 It is recommended that RWM develop a higher activity waste programme integrator role, encompassing:
- (i) Activities within the upstream optioneering project to enhance realisation of opportunities, e.g. development of business cases, undertaking enabling research and development, production of waste management guidance and provision of information
 - (ii) Development of near-surface disposal options as required by Scotland's Higher Activity Waste Policy and potentially the UK's Managing radioactive Waste Safely Policy for certain wastes
 - (iii) Structured support to NDA strategy development and programme integration e.g. through adoption of role of lead Site Licence Company for development of the higher activity waste major programme, supporting the development of a storage strategy
 - (iv) Ongoing provision of packaging advice against an optimised schedule
- 5.4 The Board are asked to support the proposal that RWM expands its role to provide one organisation responsible for implementation of both UK and Scottish policies for higher activity waste management and agree that the proposal is taken to NDA Executive for agreement.
- 5.5 The Board discussed the options and recommendations in further detail. The existing vacuum of an organisation with an overview of Higher Activity Waste was noted. RWM can add value here. The benefits of a more structured approach were agreed, along with the need to build in intelligent customer capability for near surface disposal.
- 5.6 There were a number of questions on the paper, including a query as to how Higher Activity Waste is dealt with in existing Life Time Plans. The Chair explained that in England and Wales, it is geological disposal. There is no consideration of near surface disposal of Higher Activity Waste in the Life Time Plans. In Scotland, the Life Time Plan aligns with the Scottish waste policy, namely storage. The scale of client capability was questioned and it was clarified that little additional resource would be necessary initially and it is likely that no more than twenty additional people would be required in due course.
- 5.7 The Board supported the proposal that RWM expands its role to provide one organisation responsible for implementation of both UK and Scottish policies for higher activity waste management and agreed that the proposal is taken to NDA Executive for agreement.
- 5.8 The RWM Waste Management Director left the meeting.

6 REVIEW OF RWMD MONTHLY PROGRESS REPORT, PERIOD 12

- 6.1 The Managing Director provided a brief overview of the Period 12 Monthly Progress Report. The statement that Schedule Performance Index (SPI) of 0.91 is a "good result" was queried. It was agreed that insufficient context was provided alongside the statement. Given the changes to workload during the year, some planned for work did not have to be undertaken and other work, which had not been planned, had to be done. These changes account for the SPI of 0.91.
- 6.2 The Managing Director noted written confirmation had been received from the DECC SRO that the RWM Business Plan meets requirements.
- 6.3 The Board noted the Monthly Progress Report.

7 CONFLICT OF INTEREST POLICY

- 7.1 The Company Secretary introduced the RWM Conflict of Interest Policy, which summarises the Companies Act 2006 provisions on conflicts of interest, explains the changes companies may reflect in their Articles of Association and provides guidance

for directors in exercising their powers to authorise conflict situations. The Policy has the same format and content as other NDA subsidiary companies.

7.2 The Board approved the Conflict of Interest Policy.

7.3 The Company Secretary asked that each director complete the Questionnaire/Notification and return it to her. At the next Board meeting, the directors will consider the conflicts of interest raised and whether to approve them, in accordance with the Conflict of Interest Policy.

8 MINUTES AND ACTIONS

8.1 The Board approved the minutes of the last meeting of the RWMD Management Board dated 21st March 2014 and the minutes of the first and second meetings of Radioactive Waste Management Limited on 31st March 2014. The Chair will sign the minutes in due course.

8.2 The review of the actions list was postponed until the next meeting.

9 ANY OTHER BUSINESS

9.1 The review of the agenda item entitled "Board monitoring of recommendations arising from reviews of RWM and its work programme by regulators and mechanisms for responding" was postponed until the next meeting.

9.2 There being no further business, the Chairman declared the meeting closed.

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Chairman