

RADIOACTIVE WASTE MANAGEMENT LIMITED
(the "Company")

Minutes of the 24th meeting of the directors of the Company
held at Hinton House, Birchwood Park Avenue, Risley, Warrington WA3 6GR on 27th
September 2016 at 10.30

PRESENT:

Mr David Batters	(Chairman)
Mr Claes Thegerström	(Independent Non-Executive Director)
Professor Charles Curtis	(Independent Non-Executive Director)
Sue Douthwaite	(Independent Non-Executive Director)
Bruce McKirdy	(RWM Managing Director)
Prof Melanie Brownridge	(NDA nominated Non-Executive Director)
Nigel Lowe	(NDA nominated Non-Executive Director)
Mr Peter Lock	(RWM HSSEQ Director)

IN ATTENDANCE:

RWM Transition Programme Director
RWM Stakeholder Engagements and Communications Director
NDA Head of Strategic Business
RWM Company Secretary
PA to Managing Director

1 NOTICE, QUORUM, DIRECTORS DUTIES, CHAIRMAN'S INTRODUCTION AND CONFLICTS OF INTEREST

- 1.1 The Board noted that Mr David Batters, having consented to act, be appointed as a director and Chairman of the Company with effect from 1st September 2016, in place of Mr Adrian Simper who has resigned.
- 1.2 The Board noted that Mr Paul Vallance, having consented to act, be appointed as an NDA nominated director of the Company with effect from 26th September 2016, to fill a vacancy.
- 1.3 The Chairman reported that, notice having been given to all directors of the Company, a quorum was present. Apologies were received from Mr Vallance and the Waste Management Director.
- 1.4 The Chairman reminded the directors of the need to consider their general duties, including those contained in the Companies Act 2006, in considering the matters put to the meeting. No new or additional conflicts of interest were declared.
- 1.5 The Chairman explained some changes in the Board composition. Mr Lowe will resign and be replaced by Mr Doherty, NDA Head of Strategic Business. Professor Curtis will resign and be replaced by Mr Bowman. The exact timings of these changes will be confirmed but are likely to be within the next month. The Chairman is also considering the composition of the sub-committees, with a view to an Independent Non-Executive Director being the Chair of the Remuneration Committee and Audit and Risk Committee.
- 1.6 The Chairman also updated the Board on recent changes in Government and the NDA Executive Team.

2 HEALTH, SAFETY, SECURITY, ENVIRONMENT, AND QUALITY REVIEW OF KPI'S

- 2.1 The RWM HSSEQ Director presented the Health, Safety, Security, Environment and Quality Key Performance Indicators (KPIs) in the Monthly Performance Report for Period 5. Four of the Indicators are green and two are at amber.
- 2.2 The RWM HSSEQ Director informed the Board of a few key highlights. Recruitment has improved with staff in post totalling 96 at the end of August. The independent assessment of the updated generic DSSC is on target to report the findings at the end of September. A further Letter of Compliance Summit is planned for October.
- 2.3 The GDF Implementation KPI has changed to amber. The senior roles within the Stakeholder Engagement and Communications team have now been filled with permanent staff. However, the amber rating reflects the implications of a delay in the appointment of a strategic communications partner and a need for a clear plan for the information required to support the launch of the siting process. Mitigations for the delay are being developed.
- 2.4 The RWM HSSEQ Director noted that the remediation plan to address the facilities management performance at Harwell is progressing. It is expected that the remediation plan will progress sufficiently by October to increase the Operational HSSSEQ Performance KPI to green.
- 2.5 The Board noted the Health, Safety, Security, Environment and Quality Key Performance Indicators of the Monthly Performance Report.

3 UPDATE ON ORGANISATIONAL READINESS REVIEW

- 3.1 The RWM Managing Director provided an update on the Organisational Readiness Review. Two workshops (critical friends and enhancement planning) have been held involving a number of stakeholders and converted the key findings into recommendations and the GDF Combined Enhancement Plan.
- 3.2 The RWM Managing Director explained the GDF Combined Enhancement Plan, with particular emphasis on agreeing the programme scope and vision and the preferred future governance model including the role and location of the Senior Responsible Officer.
- 3.3 RWM will continue to work with BEIS and NDA and keep the Board informed of progress. A tri-partite meeting is scheduled for mid-October to discuss scope, policy and governance issues. The Board were keen to see the direction of travel sooner rather than later and requested an update at the October meeting. A systematic plan is required to meet the challenging timescales.

4 RWM COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT STRATEGY

- 4.1 The RWM Stakeholder Engagement and Communications Director presented the RWM Communications and Stakeholder Engagement Strategy, which builds on the 2014 RWM Communications Strategy and the significant progress made. This version of the document was explained as incorporating previous Board comments, strategic advice from RWM's contractor, MHP, and being consistent with Government Communication Service best practice.
- 4.2 It was explained that the communications objectives remain broadly similar to those set out in 2014, primarily to create an environment in which communities engage with and enter into the GDF siting process. The Strategy also proposes a targeted and phased approach to communications and engagement, which also promotes and harnesses RWM expertise in geological disposal and waste management, to build trust. RWM is seeking to develop targeted and consistent messages and channels appropriate for our key audiences. Audience segmentation and targeting are a key focus to achieve the best outcome and are central to the planning approach taken.

- 4.3 The RWM Stakeholder Engagement and Communications Director noted that a strategic communications partner is an essential part of the business model to support programme of work, particularly for the campaign to build awareness and advocacy. The contract will be based on a specific programme of work with defined deliverables and outcomes. Appropriate incentive structures will be considered and put in place through the contracting process.
- 4.4 The Board provided a number of comments on the document, including the approach to internal stakeholders, the use of advocates in the university sector and professional bodies and the collaboration with the NDA Communications Team. The Board also discussed the readiness of the regulators for the expansion in communications. The Board requested the Strategy be made more explicit on the engagement of external stakeholders and how confidence on the process would be achieved.
- 4.5 The Board noted the direction of travel and requested regular update on progress made against the Communications and Stakeholder Engagement Strategy and asked to see an implementation plan alongside the revised Strategy. The RWM Stakeholder Engagement and Communications Director will input comments received and obtain additional feedback from the NDA Communications Director.

5 RWM STAKEHOLDER EVENT AND SURVEY 2016

- 5.1 The RWM Stakeholder Engagement and Communications Director summarised the 2016 RWM Stakeholder Event taking place in October 2016. The paper provides the purpose and desired outcome of the event. The Stakeholder Survey will be described at the Stakeholder Event and will use the same methodology as the 2014 survey but will add new contacts to the list of potential respondents and update the questions to reflect the current position and future plans.
- 5.2 The RWM Stakeholder Engagement and Communications Director explained that the week of the Stakeholder Event coincides with a planned critical BEIS Ministerial meeting, the outcome of which could affect the timing and momentum of the GDF Programme and will influence the key messages of the Event. The Board discussed the impacts of this timing and whether any actions could be taken to improve the situation.
- 5.3 The Board endorsed the approach being taken in regard to the RWM Stakeholder Event and Survey 2016.

6 GEOLOGICAL DISPOSAL FACILITY LICENSING

- 6.1 The RWM HSSEQ Director presented the paper on Geological Disposal Facility Licensing. It is Government policy that geological disposal facilities should be regulated by the ONR under a nuclear site licence in accordance with the Nuclear Installations Act 1965. There has been discussion over the precise approach to licensing and BEIS is now in the process of establishing how to amend the relevant regulations to prescribe geological disposal as a licensable activity. The RWM HSSEQ Director noted it is believed this is the correct way forward for RWM and will provide more certainty for communities.
- 6.2 The Board commented on the process to de-licence a regulated site and the level of regulator intervention during different stages of the process. The Board noted the Geological Disposal Facility Licensing paper and supported continued engagement with BEIS and regulators to facilitate development of the approach to prescription and licence surrender along the lines envisaged in the paper. The Board raised the issue on the need to have a smooth consultation and construction processes as part of the licensing, avoiding lengthy delays and significant additional costs.

7 RADIOACTIVE WASTE MANAGEMENT LIMITED MONTHLY PROGRESS REPORT PERIOD 5

- 7.1 The RWM Managing Director provided the key highlights of the RWM Monthly Progress Report for Period 5. The Executive Team met to review potential implications of the Brexit decision on RWM strategy, programme and risk register. A further meeting is planned to identify actions to manage the implications and uncertainty.
- 7.2 The Board noted the Monthly Progress Report.

8 REPORTS FROM SUB-COMMITTEES

- 8.1 The Chair of the Audit and Risk Sub-Committee noted a couple of actions from the July 2016 meeting. The RWM Head of Finance and Commercial is to confirm when additional processes are in place around significant value accruals and to consider a risk assessment of other accruals. The NDA Executive is to confirm their risk appetite has not changed regarding RWM.

Action 24.01: Chair to confirm with NDA Executive that there is no change in their risk appetite regarding RWM.

- 8.2 There has been no Remuneration Committee since the last meeting.
- 8.3 The Chair of the HSSSEQ Committee presented the report from the Board HSSSEQ Committee Meeting of 27 July 2016. The Committee considered feedback from the Board discussion of the Committee's Annual Report, requested additional analysis of staff turnover and highlighted the high proportion of overdue actions from oversight activities and advised the information is trended and made visible across the organisation. The Committee advised RWM to monitor the integration of the nuclear responsibilities of DECC into BEIS and feedback to the responsible officials any effects that may emerge with regard to RWM's HSSSEQ responsibilities and plans.
- 8.4 The Board noted the reports from the Sub-Committees.

9 AOB

- 9.1 The Managing Director noted that the pay deal has been settled at 1%.
- 9.2 The Managing Director provided a brief update on the processes in place to manage succession planning.
- 9.3 The Chairman thanked Professor Curtis for his service over the past few years and his contribution in progressing RWM from a department of the NDA to a standalone company. The Chairman thanked Mr Lowe for his input and for chairing the Audit and Risk Committee.

10 MINUTES AND ACTIONS OF THE PREVIOUS MEETINGS AND REDACTIONS


- 10.1 The Board approved the minutes of the June 2016 and July 2016 meetings of Radioactive Waste Management Limited and authorised the Chair to sign them.
- 10.2 The Board reviewed the minutes of the June 2016 and July 2016 meetings of Radioactive Waste Management Limited to consider possible redactions needed prior to publication of the minutes on the NDA website. No redactions were identified.
- 10.3 An updated actions list is attached.

11 DATE OF NEXT MEETING AND 12 MONTH LOOK AHEAD

- 11.1 The next meeting will take place on 25th October 2016 at the Harwell Office.

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- 11.2 The Board reviewed the RWM 12 Month Look Ahead sheet and had no comments. The locations of the meetings are likely to change given that the base of the majority of the directors is Harwell.
- 11.3 There being no further business, the Chairman declared the meeting closed.

A handwritten signature in blue ink, appearing to read "D. Batten", is positioned above a horizontal dotted line.

Chairman