

RADIOACTIVE WASTE MANAGEMENT LIMITED
(the "**Company**")

Minutes of the 7th meeting of the directors of the Company
held at Aspo Hard Rock Laboratory, Sweden and (via videoconference) at NDA London Office,
Sanctuary Buildings, Great Smith Street, Westminster, SW1P 3BT and at Herdus House,
Westlakes Science and Technology Park, Moor Row, Cumbria CA24 3HU on 24th September
2014 at 08.00 a.m. (UK time).

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 Thegerström	(Independent Non-Executive Director)
Professor Melanie Brownridge	(NDA nominated Non-Executive Director)
Mr Jon Phillips	(NDA nominated Non-Executive Director)
Mr Rob Higgins	(NDA nominated Non-Executive Director)

IN ATTENDANCE:

RWM Waste Management Director
RWM Company Secretary

1 NOTICE, QUORUM AND DIRECTORS DUTIES

- 1.1 The Chairman reported that, notice having been given to all directors of the Company, a quorum was present. The RWM HSSE Director sent apologies for absence.
- 1.2 The Chairman was in attendance via teleconference and consequently asked that Mr Phillips chair the meeting. Mr Phillips agreed to act as Acting Chairman for the meeting.
- 1.3 The Acting 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.

2 CHAIRMAN'S INTRODUCTION

- 2.1 The Acting Chairman welcomed the attendees to the meeting and thanked Mr Thegerström for arranging a very enjoyable and informative visit. The support of the community representatives and SKB for proposals to use the Aspo facility to help community development is welcomed. RWM greatly value the long-standing relationship with SKB and the willingness of colleagues to share information.
- 2.2 The Board shared some observations and highlights from the visit. Äspö is an excellent research facility, which fosters international research collaborations and undertakes full scale demonstrations. The technology for the SKB concept is clearly well developed and will be of benefit to RWM and the UK when developing a design for a UK geological disposal facility. The engineering systems are complex and there may be potential for the UK to simplify these when designs for UK sites are developed. The visit has provided a better understanding of the challenges faced by RWM – the physical experience is a very useful method of communication and the Managing Director noted the reaction of first time visitors to the facility is one of surprise at the scale of operations. The visit also included a very productive meeting with local community officials.
- 2.3 The RWM Managing Director will provide a summary note of the Swedish visit for the next meeting.

Action 07.01: RWM Managing Director to provide summary note of visit for next Board meeting.

3 CONFLICTS OF INTEREST

3.1 No new conflicts of interest were declared.

4 HEALTH, SAFETY, ENVIRONMENT, SECURITY AND QUALITY ISSUES

4.1 The RWM Managing Director presented the Health, Safety, Security, Environment and Quality section of the Monthly Performance Report. There have been no work-related health, safety or environmental events during August and only one security incident involving an unsecured pedestal.

4.2 The RWM Managing Director summarised the Safety and Environmental Key Performance Indicators. The 3 year organisational development action plan is progressing well but the KPI will remain at amber until conformance of key models with updated arrangements has been demonstrated. The iterative development of the disposal system KPI remains green. The waste packaging KPI will remain at amber as a small number of procedures added to the management system require updating.

4.3 The RWM Managing Director noted issues with availability of regulatory resource, particularly of ONR, albeit recognising there are public funding constraints in place. The Chair informed the Board that the regulatory resource issue is impacting a number of aspects of NDA work and is being raised at a high level.

Action 07.02: RWM Managing Director to provide examples of where the lack of availability of regulatory resource has caused challenges for RWM

4.4 The Board noted the Health, Safety, Security, Environment and Quality section of the Monthly Performance Report.

5 RWM INITIAL DRAFT BUSINESS PLAN

5.1 The RWM Science and Technology Director explained that the Initial Draft Business Plan is being presented to the Board early in the Business Planning cycle to provide the Board with an opportunity to provide strategic direction and influence. The diagram on page 2 shows how the Strategy and Planning Documents fit together. The RWM Science and Technology Director noted that improvements to the Client Specification will be undertaken to support the Business Planning process.

5.2 The key areas for Board inputs are section 3 (Business Plan Activities) and section 4 (draft Corporate Targets). Clarity is important as the RWM corporate element of the bonus scheme will be based on the Corporate Targets. The Board had some minor comments and queries around timescales and noted that there were no targets identified for FY2017/18. The targets felt transactional and it was proposed that more strategic targets be built in, to evidence a longer term vision. The financial information should be disaggregated into business lines.

Action 07.03: RWM Managing Director to add information regarding the role of the British Geological Survey into the Business Plan.

5.3 The Board were pleased to have the opportunity to provide input at this early stage and noted that the targets will be submitted to NDA in October in draft. The Board will be asked to approve the Business Plan and targets in January 2015.

6 RWM DISPOSABILITY ASSESSMENTS

6.1 The RWM Waste Management Director gave a presentation on RWM Disposability Assessments, with the aim of providing the Board with information about the current process and introducing them to proposals for improvements to the process.

- 6.2 The RWM Waste Management Director provided background information on the Disposability Assessment process, which is used by waste producers as part of their Radioactive Waste Management Cases. It is a well-established approach and RWM provides assessment and advice. A Letter of Compliance is issued if all 17 areas of the Disposability Assessment Report are compliant. The Letter of Compliance includes caveats and does not guarantee that RWM will receive the waste package. It does, however, minimise the business and safety risks to waste producers of re-work.
- 6.3 Feedback has been received from a number of stakeholders. The RWM Technical Advisory Panel and Nuclear Safety and Environment Committee have confidence in the process and understand their roles well. Customer satisfaction is down 20%, reflecting the pressure the SLCs are under. The waste producers require early clarity of go / no go advice on options, a responsive process, clarity of Disposability Assessments and Letters of Compliance and risk based judgment statements.
- 6.4 In light of the feedback, RWM have identified areas for improvement. RWM should be seen as a valuable resource and not an obstacle. A prioritised programme is needed and effective programme management is essential. Improved procedures are needed around innovation and disposal system change control and resourcing is an issue.
- 6.5 Under current timescales, the process takes between three and six years. The proposed approach is that an expert, risk-based view is provided in six months. Safety will not be compromised by reducing timescales. The process is less transactional, with a series of workshops with relevant parties. The Disposability Assessment is then undertaken forward supporting a Project Action Plan. The main aims of the change are that RWM is part of the process and solution but that the assessment work is off the critical path. Next steps include further discussions with all parties and piloting through existing disposability assessments.
- 6.6 The Board commented on the evolution of the process and noted the presentation. It was proposed that RWM should work with the NDA Delivery Team to align with the programme life cycle sanction gates.

7 IMPLEMENTATION OF THE SITING PROCESS – SUCCESS CRITERIA FOR OPERATING PLAN TARGET OT01

- 7.1 The RWM Managing Director introduced the paper on Success Criteria for Operating Plan Target OT01, namely “*to develop a programme to lead on implementation of the siting process, agree the programme and success criteria with the RWM Board and deliver year 1 activities*”. Due to the degree of uncertainty when the target was set regarding the information the White Paper would contain, there had been a lack of clarity around exactly how the Target would be achieved.
- 7.2 Now that the White Paper has been published, a programme of RWM activities has been developed and the 2014/15 activities are summarised in the paper. Success criteria are proposed as:
- Publication of a new Government White Paper by July 2014 which is capable of being implemented by RWM as the developer of a GDF
 - Delivery of a successful launch event for the National Geological Screening exercise by the end of Q2
 - Prepare screening guidance proposals suitable for review by an Independent Review Panel established by the Geological Society by Q4
- 7.3 The Board discussed the purpose of the launch event and noted the potentially challenging questions from stakeholders regarding the specifics of the screening proposals. The timing and nature of the process means that not all questions will be able to be adequately answered at the launch event. However, the absence of pre-

determined or known outputs from the screening process provides an opportunity for stakeholders and others to shape thinking and the final outcomes.

- 7.4 The Board approved the success criteria for the Operating Plan Target OT01 and requested that the Executive consider how best to present at the Launch Event and the wording of the second Success Criteria.

8 RWM BRAND IDENTITY

- 8.1 The RWM Managing Director presented the paper on RWM Brand Identity. Four brand designs were presented and discussed at the July Board and a design was later agreed by the Executive.

- 8.2 The Board endorsed the decision of the Executive on the brand identity design, subject to the RWM Managing Director ensuring the chosen design is easily and consistently reproducible on standard printers.

Action 07.04: RWM Managing Director to ensure brand design is easily and consistently reproducible on standard printers

9 RWM VISION AND VALUES

- 9.1 The RWM Managing Director presented the paper on RWM Vision and Values, which were originally presented to the Board in July and have been further developed taking into account comments and challenge from the Board.

- 9.2 It was proposed that “and efficiency” be added to the description of Professional. The wording will be suggested to the Executive for their consideration.

- 9.3 The Board agreed the RWM Vision and Values for launch in October.

10 MONTHLY PROGRESS REPORT PERIOD 5

- 10.1 The RWM Managing Director presented the Monthly Progress Report for Period 5, noting the highlights as follows: A Project Board has been established to oversee delivery of the National Geological Screening exercise. The Nuclear Safety and Environment Committee supported the issue of an Interim Stage Letter of Compliance to Sellafield Limited. RWM has entered into an agreement with ANDRA for joint future development of the Thermochemie thermodynamic database. RWM has produced an updated quantified estimate of the inventory for disposal in a geological disposal facility.

- 10.2 The Board discussed the meeting held with CoRWM to support their scrutiny of RWM's transition into an effective GDF delivery organisation. Questions were raised on the governance and ownership of RWM.

Action 07.05: RWM Managing Director to develop a document to explain benefits of current RWM governance arrangements.

- 10.3 The Board noted the Monthly Progress Report.

11 AOB

- 11.1 The Company Secretary explained that RWM Finance propose to file the RWM statutory accounts at Companies House around June/July 2015, in line with NDA ARAC. The accounts do not actually have to be filed until December 2015. The Board noted the proposal.

- 11.2 The Company Secretary noted that a procedure has been drafted for the drafting and approval of Board minutes, including redactions and publication. It was noted that the procedure will be shared with the Board before it is finalised.

- 11.3 The RWM Science and Technology Director informed the Board that the NDA procurement process for appointment of auditors for subsidiaries has completed. However, the authority for appointing external auditors for RWM sits with the RWM Board. The Board agreed to approve out of committee next week, subject to seeing a paper to support the decision.

12 MINUTES AND ACTIONS

- 12.1 The Board approved the minutes of the sixth meeting of Radioactive Waste Management Limited.
- 12.2 The Board reviewed the minutes of the sixth meeting of Radioactive Waste Management Limited to consider possible redactions needed prior to publication of the minutes on the NDA website. No redactions were identified.
- 12.3 An updated actions list is attached.

13 DATE OF NEXT MEETING AND 12 MONTH LOOK AHEAD

- 13.1 The next meeting will take place on 28th October 2014. There were no comments on the Meeting Calendar.
- 13.2 There being no further business, the Acting Chairman declared the meeting closed.

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Chairman