

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

Minutes of the 29th meeting of the directors of the Company
held at NDA Harwell office, on 23rd May 2017 at 10.00

PRESENT:

Mr David Batters	(Chairman) (from agenda item 10 only)
Mr Claes Thegerström	(Independent Non-Executive Director)
Professor Michael Bowman	(Independent Non-Executive Director)
Mr Bruce McKirdy	(RWM Managing Director)
Mr Kiernan Doherty	(NDA nominated Non-Executive Director)
Professor Melanie Brownridge	(NDA nominated Non-Executive Director) (video conference)
Mr Peter Lock	(RWM HSSEQ Director)
Mrs Ann McCall	(RWM Waste Management Director)
Mr Paul Vallance	(NDA nominated Non-Executive Director)

IN ATTENDANCE:

Jessica Ellis, Head of Geological Disposal, BEIS
Mr Alan Brandwood, Special Adviser, HSSEQ
Mrs Elizabeth Hodgson, RWM Company Secretary (video conference)
Mrs Nicola Beale, PA to Managing Director

1 APOLOGIES, QUORUM AND CONFLICTS OF INTEREST

- 1.1 In the absence of Mr Batters, Mr Doherty acted as Chairman for the meeting.
- 1.2 The Acting Chairman reported that, notice having been given to all directors of the Company, a quorum was present, and welcomed Jessica Ellis, Head of Geological Disposal at BEIS and Alan Brandwood, the HSSEQ Special Adviser.

2 CHAIRMAN'S INTRODUCTION

- 2.1 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. No new or additional conflicts of interest were declared.
- 2.2 The Head of Geological Disposal, BEIS, explained that Mr Wintle had taken up a new post and no recruitment could take place until after the election. The Head of Geological Disposal outlined the impact of the general election on the launch of the consultations and explained BEIS were preparing for a number of scenarios.

3 MINUTES AND ACTIONS OF THE PREVIOUS MEETINGS AND REDACTIONS

- 3.1 The Board approved the minutes of the 30th March 2017 meeting of Radioactive Waste Management Limited and authorised the Chairman to sign them.
- 3.2 The Board reviewed the minutes of the 30th March 2017 meeting of Radioactive Waste Management Limited to consider possible redactions needed prior to publication of the minutes on the RWM website. No redactions were identified.
- 3.3 An updated actions list is attached. In response to Action 27.02, the Managing Director noted a narrative will be brought to a future meeting. In response to Action 28.01, the Managing Director informed the Board of the progress in recruitment in relation to Communications resourcing, noting it will be developed in-house and within RWM delegations. Under Action 28.04, the Managing Director explained the report will be circulated to the Board on receipt and possibly reviewed at a future meeting.

4 REPORTS FROM SUB-COMMITTEES

4.1 In the absence of the Chair, Mr Doherty provided an update from the Audit and Risk Assurance Committee. The corporate targets process had been discussed and it was proposed that NDA Internal Audit advise on the milestones drafted for 2017/18 to enable a clear and consistent interpretation. The Board noted the update.

4.2 The Chairman of the Remuneration Committee provided an update from the meeting. Recommendations were made to expand the work ongoing on the succession plan to include medium to long-term succession as well as strategic skills needs. Corporate performance had been reviewed and target percentages recommended. The Executive performance management scores had been agreed and the Committee had agreed the Hay evaluation for new roles. Recommendations were made to revisit and review the targets set for this and future years to ensure they were clear, realistic and achievable notably that they were within the remit of RWM activities and did not depend on external outcomes for success. The Board noted the update.

Action 29.01: Managing Director to revisit and review 2017-18 performance targets so that they are realistic and achievable and deliver the required outcome.

4.3 The Chairman of the HSSEQ Committee introduced the second Annual Report of the Committee, summarising that the management of HSSEQ performance and risks is rated as good with the prevailing HSSEQ culture being rated as Level 4.

4.4 Mr Brandwood then provided an overview of the Annual Report, explaining it is an independent view, rather than the view of the Executive which the HSSEQ Director will provide. Mr Brandwood outlined the scope of the Committee's work and reiterated that the HSSEQ culture is rated as four in line with the Board's declared medium-term target. It was suggested that the Board may now wish to review this target, either to further consolidate the maturity level achieved or to consider declaring a new target. This will involve a review of RWM's HSSEQ strategy and risks.

4.5 Mr Brandwood outlined the three priority areas for 2017, which are the core work of the Committee, independent reviews of the understanding of hazards and the operations of the independent oversight function, and monitoring activities.

4.6 The Board discussed the potential impact on HSSEQ performance of the transition to a delivery organisation and requested this be considered in future planning and reporting.

4.7 The Board noted the Annual Report and endorsed the conclusions, the Sub Committee's priorities for 2017 and a future Board review of RWM's HSSEQ Strategy and risks, and as a result, the medium-term target of maintaining Level 4 on the HSSEQ Culture Maturity Model. A workshop will be planned to review the HSSEQ Strategy and risks.

Action 29.02: HSSEQ Director to plan workshop to review the HSSEQ Strategy and risks and to assess the appropriate HSSEQ culture target.

5 RWM BOARD GOVERNANCE DOCUMENTS

5.1 The Company Secretary presented the revised Board Terms of Reference, the Articles of Association, the revised Scheme of Reserved and Delegated Authority and the Register of Directors' Interests. The purpose of the annual review is to update the documents, if necessary, so that they remain fit for purpose and reflect best practice. A number of changes were outlined.

5.2 The Board discussed the documents and raised a number of comments on the Board Terms of Reference and the Articles of Association, including the need for consistency between certain paragraphs, the appropriate quorum given the current composition of the Board and the need to add reference to customers. The Board debated the best

way to capture their obligations as directors, noting the balance of stewardship against supervision.

Action 29.03: Managing Director and Company Secretary to revise governance documents based on Board comments.

6 ESSENTIAL ITEMS TO LAUNCH AND IMPACT OF DELAYED LAUNCH

- 6.1 The RWM Managing Director presented an update on the 'Essential Items to Launch', explaining that current documents remain based on a November launch date but that RWM is discussing with BEIS the products needed and an assessment of a more realistic view of timescales. The Managing Director outlined the impacts of a delayed launch, including a loss of stakeholder interest and financial considerations.

Action 29.04: Managing Director to develop an impact and mitigation statement on the delay for passing on to GDPB.

- 6.2 The Board noted the update and discussed potential opportunities arising from a delay, in terms of transformation into a delivery organisation. This would also be included in the MD report

7 SUMMARY OF RWM PERFORMANCE ON DISPOSABILITY ASSESSMENTS

- 7.1 The RWM Waste Management Director summarised RWM performance against delivery of the disposability assessment process during 2016/17.

- 7.2 The outcome for 2016/17 has been successful, with a significant number of assessments being completed and additions to the process becoming embedded as common practice. RWM has fulfilled the target of delivering 80% of assessments on time.

- 7.3 The Board noted a significant number of changes are made by waste packagers to the planned delivery dates for submission. The timely delivery of submissions remains a key factor in efficient management and delivery of assessments. NDA assistance would be welcomed in assisting the waste producers meet the schedules.

- 7.4 Feedback through the customer survey continues to be positive. RWM recognises the importance of continued engagement with all waste packagers.

- 7.5 The Board noted the contents of the report.

8 2016/17 HSSEQ PERFORMANCE AND MANAGEMENT REVIEW

- 8.1 The HSSEQ Director presented the 2016/17 HSSEQ Performance and Management Review undertaken by RWM's HSSEQ function. The HSSEQ Director explained the approach, the consideration of HSSEQ and business developments and changes in risk profile, including a review of the improvement plan and analysis of feedback.

- 8.2 The HSSEQ Director noted the impact of limited resources in changing the risk profile and explained the reduction in NDA support in some areas. The Board discussed actions to take to improve the influence of RWM in NDA's key operations.

- 8.3 The Board noted the HSSEQ Performance and Management review and endorsed the identified opportunities for improvement which will be used to prioritise activities within an updated HSSEQ Improvement Plan.

- 8.4 It was confirmed that a SIRO report would be brought to a future meeting.

9 RADIOACTIVE WASTE MANAGEMENT LIMITED MONTHLY PERFORMANCE REPORT PERIOD 1

- 9.1 The RWM Monthly Performance Report for Period 1 was taken as read. There were no questions.
- 9.2 The Board noted the RWM Monthly Performance Report for Period 1.
- 9.3 Mr Brandwood left the meeting and Mr Batters joined the meeting.

10 RWM /LLWR JOINT WORKING

- 10.1 The RWM Waste Management Director gave a presentation on RWM/LLWR joint working, explaining the evolution to the signature of an MOU in 2016 was based on a desire to engage with LLWR on more active collaboration with identified joint work on deliverables.
- 10.2 The RWM Waste Management Director explained that NDA have asked RWM and LLWR for a joint paper on an Integrated Waste Management Programme which will need to capture RWM aspirations in this area. A scope and programme for the joint paper is being developed for delivery by September 2017. This initiative fits with the need to review the RWM Corporate Strategy which the RWM Executive team will discuss and bring to the Board for their input.
- 10.3 The Board noted the presentation.

11 LESSONS FROM SKB

- 11.1 This agenda item is to be taken at the next Board.

12 AOB

- 12.1 It was noted that the Board had approved the RWM Business Plan 2017 – 2020 at a meeting on 2nd May 2017.
- 12.2 It was proposed that a section on Equality Diversity and Inclusion implications is added to the Board cover sheet.

Action 29.05: ED&I implications to be added to standard Board paper cover sheet.

13 DATE OF NEXT MEETING AND 12 MONTH LOOK AHEAD

- 13.1 The next meeting will take place on 25th July 2017.
- 13.2 The Board reviewed the 12 Month Look Ahead, noting an aim that a formal Board will now take place every other month and the forward plan is being revised to take account of that.
- 13.3 There being no further business, the Chairman declared the meeting closed.

.....Chairman