

MINUTES

OF THE MEETING

OF THE BOARD OF DIRECTORS OF THE

NUCLEAR WASTE MANAGEMENT ORGANIZATION (NWMO) /

SOCIÉTÉ DE GESTION DES DÉCHETS NUCLÉAIRES (SGDN)

convened in Oakville, ON
on June 1, 2017
commencing at 9:00 a.m. EDT

Present

Wayne Robbins	Chair
Carlo Crozzoli	Director
Ron Jamieson	Director
Darren Murphy	Director
Josée Pilon	Director
Ian Ross	Director
Laurie Swami	Director, President & CEO
Mark Elliott	Director

Staff in attendance:

Marni Halter	Senior Counsel (items 5-18)
Michael Hung	Chief Financial & Risk Officer (items 5-18)
Lisa Frizzell	VP Stakeholder Relations (items 5-18)
Robert Watts	VP Indigenous Relations (items 5-18)
Jennifer Spragge	VP Human Resources & Chief Ethics Officer (items 1-18)
Mahrez Ben Belfadhel	VP Site Selection (items 5-18)
Derek Wilson	Chief Engineer & VP Contract Management (items 5-18)
Gillian Morris	Board Secretary (items 1-18)

1. Constitution of Meeting and Approval of Agenda

Notice of the meeting having been given to all of the Directors of the Company in accordance with the by-laws and a quorum being present, the Chair declared the meeting duly constituted for the transaction of business and called the meeting to order at 9:00 am.

2. Minutes of Previous Meeting

The minutes of the February 17, 2017 meeting were approved with one minor edit.

3. Business Arising from the Previous Minutes

Staff reviewed actions from the previous meeting.

4. Report from HRC Committee & Board Evaluation

A report from the Human Resources & Compensation Committee Meeting May 31, 2017 was provided by the HRC Committee Chair in camera.

5. Report from the Siting Committee

The Siting Committee Chair reported on the Committee's May 31, 2017 meeting noting all Directors were in attendance to discuss a number of key items in camera: reviewing plans for making key decisions in the siting process and the development of partnerships.

Mr. Jamieson reported the Committee also received updates on the progress of assessment and engagement work in the communities and an update on the status of planning for borehole drilling. Updates were also provided on; the Council of Elders and Youth; changes in the external landscape; an analysis of media stories; and, transportation engagement activities

6. Report from the Audit, Finance & Risk (AFR) Committee

The AFR Committee Chair provided a report from the May 31st, 2017 meeting. He reported that the Committee discussed the status of the pension plan, the completion of the pension plan funding valuation. He noted that the NWMO's auditors attended the Committee meeting to present the annual pension plan fund financial statements which are being recommended by the Committee for approval.

IT IS HEREBY RESOLVED THAT:

On the recommendation of the AFR Committee, the Board of Directors, approves the 2016 NWMO Pension Plan Fund Financial Statements as proposed for the NWMO fiscal year ended December 31, 2016, as audited and presented by the external auditors, Deloitte LLP.

The motion was made, seconded and unanimously passed.

Mr. Ross also reported that the Committee discussed the following:

- Preliminary 2018-2022 business planning;
- Updates to the Organizational Authority Register;
- Regular management reporting on cash flow, performance against objectives, a financial update and the compliance report;
- The submission of the Annual Report of Directors to Members;
- The appointment of the Auditors for 2017 which will be recommended at the Annual General Meeting of NWMO members. Mr. Ross noted that while NWMO has had the same auditors for a number of years, the audit partner would be rotating in the near future.

IT IS HEREBY RESOLVED THAT:

On the recommendation of the AFR Committee, the Board approves the NWMO Organization Authority Register updated as proposed.

The motion was made, seconded and unanimously passes

A Director asked how NWMO deals with signing authority on unbudgeted items. The CFO noted that if a significant unbudgeted arise expense it would come to the Board for approval. A Director asked management to further consider how it would handle approval of unbudgeted emerging issues and report back to the Board. (*)

Mr. Ross also reported on the joint meeting of the AFR and HRC Committees to discuss the NWMO pension fund sustainability. Minor revisions to the pension plan text were recommended by the AFR Committee.

IT IS HEREBY RESOLVED THAT:

On the recommendation of the AFR Committee, the Board of Directors, approves the Pension Plan Text revision as proposed.

The motion was made, seconded and unanimously passed.

7. Report from Low and Intermediate Waste (L&ILW) DGR Oversight Committee

The Chair of the L&ILW DGR Oversight Committee reported that the Committee met in Toronto on Monday, May 30 and discussed the following:

- a progress report on the Regulatory Approvals and Detailed Design Phases of work. Also reviewed was the status of collecting samples for waste characterization;
- the status and plan for the budget for the design and construction phase;
- An update on recent developments in CNL's plans for a near surface disposal facility and the regulatory approval process for CNL under CEAA 2012; and
- Business planning for 2018.

The Chair also reported on an in camera discussion held by the Committee.

8. Report from Advisory Council's May 2017 Meeting.

The Advisory Council Chair was unable to provide his report and asked the Board Secretary to deliver it on his behalf.

Ms. Morris reported that Council members held an in camera discussion on plans for decision-making in the siting process and work underway to develop partnerships.

Council reviewed the following:

- An update on the siting process, which included the status of fieldwork and engagement underway in communities;
- An update from the President on Canadian and international nuclear waste developments;
- A discussion of risks;
- The Board's plan for reviewing Advisory Council membership in 2017;
- The plan to address the Council's Triennial Report recommendations; and
- Regular standing updates on NWMO's engagement, technical, and transportation work.

9. President's Report

The President provided an update to the Board on significant developments since the last Board meeting. She reported the following:

- Related to safety, it was reported that NWMO employees are experiencing higher-than average minor low-level collision rates than seen in similar industries. Ms. Swami outlined the steps being taken to correct this trend;
- Upcoming changes to the Canadian Environmental Assessment Act and the Environmental Assessment process which could have implications to NWMO;
- The President's visits to each of the siting communities over the last few months. Plans for visiting First Nations in the coming months are being developed.
- Work to review whether NWMO should participate in the CANDU Owner's Group (COG); and
- Participation of an NWMO representative on the SKB design team.

At the request of the Board Chair, Ms. Swami also provided an overview of her recent visit to the Waste Isolation Pilot Plan in Carlsbad, New Mexico.

Directors asked questions about the types of employee collisions and causes. Ms. Swami noted that while they were minor collisions, NWMO takes safety very seriously and has put a number of measures in place to resolve this issue.

10. Preliminary 2018-2022 Business Plan

Michael Hung introduced the preliminary business plan for 2018-2022. He reported that the preliminary APM budget has been developed in alignment with NWMO's strategic plan for the execution of APM. This new format presents budgets for complementary streams of work that are focused on meeting the major milestones and key objectives critical to the success of the project. He noted that over the 6-year period from 2017 – 2022, the proposed budget is lower than the prior plan based on reductions in contingency and tighter budgeting assumptions.

Directors discussed and supported the direction management took regarding changes in approach to business planning, changes in contingency levels and focus on efficiencies. On staffing, it was noted that staffing levels will essentially remain constant in the future, but the expertise required and focus of work may shift as the siting process progresses.

11. Request for NWMO Membership

The Board was updated, in camera, on the status of a membership request received by NWMO Member organizations.

12. Board Committee Structure – Technical Committee

Management reported that, as a result of comments from Directors in the annual Board Evaluation Survey, the establishment of an APM Technical Committee in 2018 which would merge with the L&ILW DGR Oversight Committee was proposed. Membership on the Committee will be proposed before the end of 2017.

Directors supported the formation of the APM Technical Committee as it will help to ensure there is a deeper understanding at the Board level of APM's technical progress and issues. Directors suggested there may be some need for external technical expertise which could be either periodic or permanent. A Director suggested that further thought be given to merging the two committees. Management agreed to review the Terms of Reference towards the end of the year. (*)

Directors also discussed what type of expertise might be required on the Committee. Management reported that it would bring thoughts on composition of the Committee to the Board in September.

IT IS HEREBY RESOLVED THAT:

The NWMO Board of Directors establishes a Technical Committee of the Board of Directors effective January 1, 2018, consistent with the proposed Technical Committee Charter. This Committee will replace the existing Low and Intermediate Level Waste DGR Oversight Committee of the Board. Technical Committee Members to be appointed before the end of 2017

The motion was made, seconded and unanimously passed.

In the spirit of finding efficiencies between the Committee and the Board, the Chair asked that all Committee and Board meetings be scheduled within a 2 day period (*).

13. Submission of 2016 Annual Report of Directors' to Members, Preparation for AGM

Management noted that the Report of Directors' had been earlier circulated to Directors and comments had been incorporated and will be reviewed by the Members at the Annual General Meeting.

14. Update on Advisory Council Membership Review

Management updated the Board on the agreed plan for reviewing Council membership in 2017. Mr. Belfadhel reported that conversations had been held with all current

Advisory Council members on their desire to continue on Council and to solicit their thoughts on expertise required to provide advice to NWMO over the next few years.

Mr. Belfadhel noted two areas have been identified by management as required expertise on the Council. Directors agreed with the areas identified. Council members identified the need for greater age diversity on Council.

A Director suggested Board members may have suggestions on candidates for members to fill the expertise gaps. Management committed to reminding Board members to send their recommendations. (*)

15. Progress Against Proof Testing Plan, Technical Transportation Update

Mr. Wilson suggested the report be taken as read as Directors would be taking a tour of NWMO's Oakville Test Facility later in the day and will be update on the latest in technical developments.

16. Upcoming Board Strategic Planning Session

Directors reviewed the proposed plan and agenda for the July Board Strategic Planning session. Directors were asked for comment on the topics proposed.

Directors made the following suggestions (*):

- Inclusion of a discussion on NWMO's role in supporting the OPG L&ILW DGR;
- A discussion on Advisory Council membership;
- When developing the materials for the session, a Director asked that management focuses on the 1-3 things it would like from the Board on a particular item; and
- A discussion about developments in the industry and around the world, worldwide operating experience.

17. Preparation for Meeting with Council of Elders

Bob Watts discussed the upcoming June Council of Elders meeting with the Board and the expectations for the meeting. He noted that the meeting will begin with a ceremony followed by remarks from the Chair of the Council of Elders, the Board Chair and the CEO. He suggested that the Board might ask the Council what it can do to help the Council be more successful.

Mr. Jamieson suggested that NWMO had taken steps towards reconciliation with its approach to building relationships with First Nations peoples and organizations as well as in its efforts to hire and train First Nations people within the organization.

18. Next Meeting of the Board

The next meetings of the Board will be held as follows:

Wednesday, September 20, 2017
Toronto, ON

On the proposed 2018 Board calendar, several Board members suggested that October would be difficult to schedule a strategic planning session in 2018.

Regarding the proposed shift in dates of Board meetings for 2018, a Director suggested the Board could consider delegating its authority to the Audit, Finance & Risk Committee to approve the Financial Statements (*).

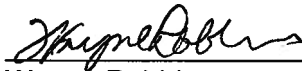
19. In Camera Session

The Board Chair held an in camera session without the presence of staff and management.

Conclusion of Meeting

There being no other business, the Chair declared the meeting adjourned at 12:50 pm

* Denotes actions to be taken.



Wayne Robbins
Chair



Gillian Morris
Board Secretary