

CAMECO CORPORATION
GOVERNANCE GUIDELINES



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CAMECO CORPORATION GOVERNANCE GUIDELINES

Introduction – The Governance Role of the Board of Directors

Cameco's board of directors is responsible for supervising the management of the business and affairs of the corporation. Cameco's business and affairs are conducted by its employees and management under the direction of the chief executive officer and the oversight of the board of directors. The board exercises its stewardship or oversight role by:

- (1) determining the corporation's direction and character by approving its vision, mission and value statements and making decisions which set the tone and direction for the company; and
- (2) ensuring that the chief executive officer and senior management are capably carrying out their responsibilities, both in good times and in difficult ones. The board regularly monitors the effectiveness of management, including management's leadership, recommendations, decisions and the execution of its strategies.

The board's specific functions are contained in its mandate.

Cameco's board of directors seeks to sustain a successful business, optimizing financial returns and increasing the corporation's value. Consistent with Cameco's commitment to corporate social responsibility, the board will consider in its decisions the interests of our shareholders, customers, employees, suppliers, the communities and environment where we operate, government and regulators, and the general public.

The board of directors is committed to good corporate governance (the way in which Cameco makes decisions), recognizing that it is important for strong performance by the corporation. In its deliberations, the board seeks to create a climate of respect, trust and candor, fostering a culture of open inquiry. One of the board's specific duties is to oversee the establishment of Cameco's governance framework. The direction and character of Cameco are defined by its vision, mission and values and reflected in its governance documents including its principles, policies, code of conduct and ethics, charters and guidelines (collectively called "policies") and programs. The policies set out Cameco's commitments and the programs state how Cameco will carry out those commitments.

As a publicly-listed company on the Toronto Stock Exchange and the New York Stock Exchange, Cameco is subject to a variety of corporate governance guidelines and requirements both in Canada and the United States. The board has adopted these guidelines to assist it in its corporate governance responsibilities and to ensure that the company's corporate governance practices comply with all of the governance rules and legislation in Canada and those of the United States applicable to foreign private issuers. These guidelines are available on Cameco's website www.cameco.com and are also available in print upon request.

Code of Conduct and Ethics

1. Code of Conduct and Ethics

The board expects all directors, officers and employees to act with honesty, integrity and impartiality in order to earn and sustain trust, reflecting Cameco's values at all times. Our code of conduct and ethics addresses, among other things, conflicts of interest, corporate opportunities, confidentiality, compliance with applicable laws, rules and regulations (including safety, health, environmental, securities disclosure and insider trading laws) and the reporting of illegal or unethical behaviour, and establishes mechanisms to facilitate the effective operation of the code.

Directors are to report all actual, potential or perceived conflicts of interest to the corporate secretary who will bring the conflict to the attention of the nominating, corporate governance and risk committee for review. All directors will remove themselves from any discussion or decision affecting their business or personal interests.

Board Composition

2. Board Membership Criteria

The nominating, corporate governance and risk committee is responsible for establishing the competencies and skills considered necessary for the board as a whole. The nominating, corporate governance and risk committee identifies candidates for board membership based on their character, integrity, judgment, record of achievement and any other qualifications they possess which would add to the board's decision-making process and enhance the overall management of the business and affairs of the corporation. Potential candidates are expected to have certain core attributes and they are also assessed based on Cameco's competency and diversity matrix, which allows the nominating, corporate governance and risk committee to determine that the board as a whole has the appropriate mix of skills and attributes. Potential candidates are also assessed against our diversity policy, which supports our belief that a diverse board will include and make good use of differences in skills, experience, gender, age, ethnicity and geographic background. The board diversity policy is reviewed from time to time and is available on our website.

Prior to nomination, candidates are asked to disclose to the committee potential conflicts of interest with Cameco.

Directors are expected to have sufficient time to carry out their duties.

3. Election of Directors

Each director is elected individually by the shareholders each year at the annual meeting, provided the board may, in accordance with the articles of the corporation, appoint additional directors, from time to time, between annual shareholder meetings who will serve until the next annual meeting of shareholders.

4. *Majority Voting Policy*

In an uncontested director election, each director must receive a majority of “for” votes of the total votes cast. The board adopted this majority voting policy for election of directors in 2010.

In an uncontested election, any nominee for director who receives more “withheld” votes than “for” votes will immediately tender his or her resignation for consideration by the nominating, corporate governance and risk committee. The nominating, corporate governance and risk committee will review the matter and make a recommendation to the board whether to accept the director’s resignation. The committee and the board will accept the resignation absent exceptional circumstances and the resignation will be effective when accepted by the board. The board will publicly disclose its decision to accept or reject the resignation within 90 days of the shareholders’ meeting, including the reasons for rejecting the resignation, if applicable. The director who has tendered his or her resignation pursuant to this policy will not participate in any deliberations of the nominating, corporate governance and risk committee or the board regarding the resignation. If a resignation is accepted, the board may appoint a new director to fill the vacancy created thereby.

5. *Board Size*

Cameco’s nominating, corporate governance and risk committee annually assesses the size of the board and its composition to determine whether it has all the necessary constituents for effective decision making. In accordance with the articles of incorporation, the board shall not exceed 15 members.

6. *Director Independence*

To assist in making determinations as to the independence of directors, the board adopted a “Definition of Independent Director and Related Definitions”. The meaning of ‘independent director’ is established in accordance with all securities laws and stock exchange rules applicable to Cameco. The definition of an independent director and related definitions are reviewed from time to time to ensure they continue to meet legal and regulatory requirements and are available on our website.

The board of directors will determine whether a member of the board, or nominee to the board, is an independent director. The board shall report such determinations annually in the corporation’s management proxy circular and U.S. Form 40-F. Generally, an independent director means a director who has no direct or indirect material relationship with the corporation. For these purposes, “material relationship” means a relationship which could, in the view of the board of directors, reasonably interfere with the exercise of a member’s independent judgment. In making a determination regarding a director’s independence, the board of directors will consider all relevant facts and circumstances, including the director’s commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, and such other criteria as the board may determine from time to time.

Except during periods of temporary vacancies, at least a majority of the members of the board of directors should be independent. All of the members of the audit and finance committee, human resources and compensation committee and nominating, corporate governance and risk committee should be independent directors.

Directors are asked to provide the nominating, corporate governance and risk committee with full information regarding their business and other relationships with the corporation and its affiliates and with senior management and their affiliates. Directors have an ongoing obligation to inform the board of any material changes in their circumstances or relationships which may affect the board's determination as to their independence.

7. *Non-Executive, Independent Chair*

The board will have a non-executive, independent director as chair.

8. *Board Succession*

The nominating, corporate governance and risk committee is responsible for maintaining a board succession plan that is responsive to the corporation's needs and the interests of shareholders. It is also responsible for maintaining a matrix of director talent and board requirements in order to identify possible skill gaps on the board. An evergreen list of potential candidates is maintained to allow the committee to recruit new directors more efficiently.

9. *Board Tenure*

To balance the benefits of experience with the need for new perspective, the board has in place term limits that seek to achieve ongoing renewal. Directors will not be re-nominated for election at an annual meeting after reaching the earlier of:

- (a) 15 years of continuous service on the board¹; or
- (b) age 72.

In exceptional circumstances, if it is in the best interest of the corporation, the board has the discretion to recommend a director for re-election for an additional one year term after age 72 or the expiration of the 15 year term.

10. *Director Compensation*

The compensation for directors should be competitive with the compensation paid to directors of comparable companies. The human resources and compensation committee will review directors' compensation at least every two years and make recommendations to the board. Directors who are employees of the corporation or any of its affiliates do not receive any compensation for service as directors.

¹ The 15 year term limit will be first implemented at the 2016 annual meeting.

Until a director owns common shares and deferred share units to the extent required under the share ownership guidelines, the director shall receive 60% of his or her annual retainer in deferred share units and may elect to receive the remainder of the annual retainer and any additional fees in deferred share units. If a director meets the share ownership guidelines the director is not required to receive any portion of his or her annual retainer in deferred share units. It will be determined annually on December 31st whether a director meets the share ownership guidelines for the following year.

Directors are reimbursed by the corporation for reasonable travel and other out-of-pocket expenses incurred in connection with their duties as directors.

11. Share Ownership Guidelines for Directors and Executives

The share ownership guidelines established by the board call for each director to own and maintain during his or her term on the board, a specified value of common shares of Cameco Corporation or deferred share units, and for each executive to own and maintain during his or her time in the position, a specified value of common shares of Cameco Corporation or restricted share units or performance share units. The human resources and compensation committee is responsible for confirming that each director and executive meets the relevant share ownership guidelines. The share ownership guidelines are reviewed from time to time and are available on our website.

Board Performance

12. Director's Responsibility

The primary responsibility of individual directors is to act in good faith and to exercise their business judgment in what they reasonably believe to be the best interests of the corporation. In order to fulfill this responsibility, each director is expected to:

- (a) act in the best interests of the corporation, owing a duty to the corporation as a whole and not to any particular constituency thereof;
- (b) comply with the code of conduct and ethics including conflicts disclosure requirements;
- (c) develop and maintain a thorough understanding of the markets in which the corporation conducts business, its strategy and business operations and its financial position and performance;
- (d) diligently prepare for each meeting, including reviewing all meeting materials distributed in advance;
- (e) actively and constructively participate in each meeting, including seeking clarification from management and outside advisors where necessary to fully understand the issues under consideration; and
- (f) engage in continuing education programs for directors, as appropriate.

13. *Attendance and Participation*

Each director is expected to attend all meetings of the board and any committee of which he or she is a member, and the annual meeting of shareholders. A director who is unable to attend a board or committee meeting in person may participate by telephone or teleconference.

14. *Strategic Planning and Risk Management*

Management is responsible for development of a strategic plan which is presented annually to the board for approval. The board is actively involved in the strategic planning process and holds regular sessions with management, including quarterly updates and one or more multi-day session(s) each year for more in depth discussion and analysis on strategic planning and strategic issues. In its deliberations, the board and management discuss and assess the principal risks of Cameco's business, strategic issues, competitive developments and corporate opportunities.

The nominating, corporate governance and risk committee ensures Cameco has an effective enterprise risk management system. Through its enterprise risk management system, management reports on the policies and processes by which management manages the principal business risks facing Cameco to the nominating, corporate governance and risk committee and the board. The board receives reports on strategic business risks. Also, the reserves oversight committee, audit and finance committee, safety, health and environment committee, human resources and compensation committee and nominating, corporate governance and risk committee each monitor those risks associated with their areas of oversight.

15. *Duties and Responsibilities of the Chair of the Board*

The board has adopted a position description for the chair of the board, which sets out the duties and responsibilities of the chair of the board. This position description is reviewed from time to time and is available on our website.

16. *Access to Management*

Directors have access to members of management and are encouraged to raise any questions or concerns directly with management. The board and its committees may invite any member of management, outside advisor or other person to attend any of their meetings.

17. *Access to Outside Advisors*

The board and any of its committees may retain an outside advisor at the expense of the corporation at any time and have the authority to determine the advisor's fees and other retention terms. Individual directors may retain an outside advisor at the expense of the corporation with the approval of the nominating, corporate governance and risk committee or the chair of the board.

18. *Director Orientation and Continuing Education*

A director's manual is provided to all directors, which is updated from time to time. New board members attend a formal directors' orientation program. There is an annual site visit to a Cameco-operated facility or other nuclear facility for all directors. Board members are encouraged to annually attend a seminar or conference on pertinent topics at the corporation's expense. The nominating, corporate governance and risk committee is responsible for confirming that a board education program is in place and resources are made available to provide an orientation program for new directors and appropriate continuing education opportunities for all directors. The board education program is reviewed from time to time and is available on our website.

19. *Performance Assessment of the Board, Committees, Individual Directors and CEO*

Annually, the nominating, corporate governance and risk committee reviews the effectiveness of the board, its chair and committees and individual directors through the use of a confidential survey, including a self-assessment, completed by each member. The results of the surveys are subsequently discussed by the board. The chair of the committee, through annual interviews with each director, provides directors with an opportunity to discuss any matters relating to their peers' performance or other aspects of the functioning of the board. The committee, through the survey and interviews, assesses the operation of the board and the committees, the adequacy of information given to directors, communication between the board and management, the effectiveness of the processes of the board and committees, and the effectiveness of the board and individual directors. The committee recommends to the board any changes needed to enhance performance based upon this assessment process. In addition, the members of each board committee self-assess the effectiveness of their committee and its chair by completing a confidential survey. The survey is reviewed by the chair of each respective committee and reported to the board as to committee effectiveness. The effectiveness of the chair of each committee is reviewed by the board chair annually and reported to the board.

In this same confidential survey process, the non-executive board members review the performance of the CEO. The chair of the board, the chair of the nominating, corporate governance and risk committee and the chair of the human resources and compensation committee receive the results of the CEO's performance review. The human resources and compensation committee reviews and discusses the results of the CEO's performance review. The results are reported to the board by the chair of the nominating, corporate governance and risk committee or the board chair, as appropriate, and the board discusses the results. The chair of the board discusses the review with the CEO.

20. *Independent Board Assessment*

An independent third-party review of the board, committees and directors will be conducted every three years or as otherwise determined by the board of directors.

21. *Service on Other Boards*

Due to the substantially increased demands on directors of public companies, a director who is also a chief executive officer of a public company should not serve concurrently on the boards of more than two other public companies in addition to the board of the company employing the chief executive officer, and other directors should not serve concurrently on the boards of more than four public companies in addition to the corporation's board. Notwithstanding the foregoing, a director may serve on more boards than the stipulated amount for an interim period where such director has stated his or her intention to resign or not stand for re-election for one or more of such other public companies, such that the director shall be in compliance with this provision no later than the next annual meeting or meetings of such other public company or companies. It is expected that a director will apprise the board chair and the nominating, corporate governance and risk committee chair of a proposed acceptance of a directorship on an additional public company in order to provide an opportunity for the board chair and committee chair to be satisfied that the director is in compliance with this guideline and no real or apparent conflict of interest would result.

Directors will not sit on boards of corporations competing with Cameco nor be members of organizations or groups adverse in interest to Cameco without the permission of the board. In addition, Cameco's chief executive officer will not sit on a board of another public company without the consent of the board of directors of Cameco.

22. *Conflicts of Interest and Related Party Transactions*

Directors are to promptly report all actual, potential, or perceived conflicts of interest to the corporate secretary. The corporate secretary will bring the situation to the attention of the nominating, corporate governance and risk committee for review and recommendation to the board. Directors do not participate in committee or board discussions or decisions related to their own possible conflicts.

Any conflict of interest of an employee who is also an insider (as defined by the *Ontario Securities Act*) that management recommends Cameco accept, will be brought before the audit and finance committee for further review. The audit and finance committee will recommend to the board whether the conflict is acceptable. A conflict of interest of an insider must be approved by the board of directors.

Any transactions between Cameco and its officers or directors, other than routine transactions and situations arising in the ordinary course of business consistent with past practice, will be brought to the board of directors for approval on the recommendation of the audit and finance committee.

23. *Changes in Job Responsibility*

When a director's principal occupation or business association changes substantially from the position he or she held when originally invited to join the board, the director shall promptly offer his or her resignation to the board chair. The nominating, corporate

governance and risk committee will consider the change in circumstance and recommend to the board whether the resignation should be accepted.

24. *Outside Communication with Independent Directors*

Interested parties may contact the board chair and other independent directors as a group by mailing (by regular mail or other means of delivery) to the corporate head office at 2121 11th St. W., Saskatoon, SK S7M 1J3, Canada, a sealed envelope marked “Private and Strictly Confidential – Attention: Chair of the Board of Directors of Cameco Corporation.” Any such envelope shall be delivered unopened to the board chair.

25. *Shareholder Engagement*

The board believes it is important to have constructive engagement with the company’s shareholders to discuss significant governance issues that shareholders wish to raise with the board and to allow and encourage shareholders to express their views on such governance matters to the board. These discussions are intended to be an interchange of views about governance and disclosure matters that are within the public domain and will not include a discussion of undisclosed material facts or material changes.

The board will establish engagement practices from time to time based on the shareholders’ needs and developing governance practices. The board’s current practices include: meeting with significant shareholders and organizations representing a group of significant shareholders upon request; holding a periodic advisory say on pay vote; communicating to shareholders through clear and transparent disclosure; and providing shareholders the ability to contact the board chair, the independent directors as a group, the audit chair and the chair of the human resources and compensation committee by writing them at the corporate office.

The board recognizes that shareholder engagement is an evolving practice in Canada and globally and will review this position periodically to ensure that it is effective in achieving its objectives.

Leadership Development

26. *Duties and Responsibilities of the Chief Executive Officer*

The board has adopted a position description for the chief executive officer of the corporation, which sets out the duties and responsibilities of the chief executive officer. This position description is reviewed from time to time and is available on our website.

27. *Management Succession Planning*

The human resources and compensation committee annually reviews the corporation’s succession plan. As well, annually the board receives a formal presentation of the succession plan. The committee also ensures that processes are in place for the development of leaders at Cameco for management succession. The board creates opportunities for directors to become acquainted with employees who have the potential

to become members of senior management. Such opportunities may include presentations to the board by these employees or interaction with them on social occasions.

28. *Management Evaluation and Compensation*

All compensation policies and programs for Cameco executive officers (including chief executive officer and senior vice-presidents) are reviewed by the human resources and compensation committee and recommended to the board for approval. The compensation policies and programs link executive compensation to corporate performance and the creation of sustained shareholder value. The committee conducts an annual risk assessment of Cameco's compensation program.

The committee reviews the annual performance of the chief executive officer and performance assessments of the senior vice-presidents provided by the chief executive officer, all in light of the corporation's performance, then recommends compensation awards for the chief executive officer and senior vice-presidents to the board for approval.

The committee also recommends to the board for approval the corporate annual goals and objectives which become the chief executive officer's specific annual goals and objectives. In conducting management evaluation and determining management compensation, the human resources and compensation committee will retain outside advisors independent of management, as necessary.

29. *Recoupment Policy*

Cameco updated its executive incentive compensation recoupment policy effective January 1, 2013. It applies to all current executive officers and those who become executive officers after this date. The former clawback policy, in effect since 2003, continues to apply to incentive compensation awarded to the chief executive officer and chief financial officer before the effective date of the new policy.

The new policy applies to any incentive compensation, including annual bonus, performance share units and stock options granted or received. Under the policy, if all three of the following events occur the incentive compensation of the executive at fault can be recouped:

- (a) Cameco makes an accounting restatement upon its material non-compliance with financial reporting requirements under securities laws;
- (b) an executive engaged in gross negligence, intentional misconduct or fraud which caused or significantly contributed to the restatement; and
- (c) the executive was overcompensated as a result of the restatement.

In the event that these three events occur, the board and the human resources and compensation committee will decide when and how the policy will apply. All incentive compensation granted or received by the executive at fault during the years subject to the

restatement that is in excess of the compensation that would have been computed based on the restated results, is subject to recoupment. The executive incentive compensation recoupment policy is reviewed from time to time and is available on our website.

30. *Say on Pay*

The board believes it is important for shareholders to have a timely and effective way to provide input on our approach to executive compensation. Since 2010, we have conducted a non-binding advisory (say on pay) vote to gather feedback on executive compensation as a strategy, how we assess performance, make compensation decisions and manage compensation risk. The resolution and a report on our approach to executive compensation are provided annually in our management proxy circular.

The say on pay vote is intended to assist the board with aligning our approach to executive compensation with the best interests of the corporation. The advisory vote results are not binding on the board, but the board will take the vote results into account, as appropriate, when considering future compensation policies, programs and decisions and in determining whether there is a need to have more engagement with shareholders on compensation and related matters.

Committee Matters

31. *Board Committees*

General: The board will carry out its responsibilities directly and through the following committees and such other committees as it may establish from time to time: the reserves oversight committee, the audit and finance committee, the nominating, corporate governance and risk committee, the human resources and compensation committee and the safety, health and environment committee.

Selection Process: The board chair and nominating, corporate governance and risk committee chair, after consultation with the chief executive officer and corporate secretary, will recommend committee appointments to the nominating, corporate governance and risk committee for recommendation to the board for approval. The nominating, corporate governance and risk committee chair will seek the concurrence of the chair of the applicable committee before making a recommendation that a new member be appointed or an existing member removed from their committee.

Composition: The audit and finance committee, nominating, corporate governance and risk committee and human resources and compensation committee will be comprised solely of “independent directors” who are selected by the board on the recommendation of the nominating, corporate governance and risk committee. Audit and finance committee members will also meet the financial literacy and accounting and financial expertise requirements set out in applicable securities laws with one member, when possible, qualifying as an audit and finance committee financial expert (see section 35). The safety, health and environment committee and reserves oversight committee will each be comprised of a majority of “independent directors” who are selected by the board on the recommendation of the nominating, corporate governance and risk committee.

Chair: Each committee of the board will be chaired by a director who the board chair and nominating, corporate governance and risk committee chair recommend, after consultation with the chief executive officer and corporate secretary, to the nominating, corporate governance and risk committee for recommendation to the board for approval. Except for the position of chair of the nominating, corporate governance and risk committee, which will be recommended to the nominating, corporate governance and risk committee by the board chair, after consultation with the chief executive officer and corporate secretary. The committee chair is responsible for determining the agenda and the frequency and conduct of meetings.

Rotation: The board believes that an active and involved committee structure enhances the corporate governance process. To facilitate this, the board favours the principle of periodic rotation of committee chairs. The assignment of committee chairs will undergo an orderly rotation every five years or as deemed appropriate. Periodic rotation of committee assignments is also desirable but is not mandated since there may be reasons to maintain an individual director's committee membership for a longer period. Rotation of committee chairs and committee membership should be made in a way that recognizes and balances the need for renewal of ideas, continuity and the utilization of each director's particular expertise.

32. *Mandates*

Each committee has a mandate which sets out its responsibilities and duties. All committee mandates are available on Cameco's website. Below is a brief description of the responsibilities of each committee.

Audit and Finance Committee: The audit and finance committee's role is to assist the board of directors in fulfilling its oversight responsibilities for the accounting and financial reporting process, internal controls, external auditors (including performance, qualifications, independence and audit of the corporation's financial statements), performance of the internal audit functions, compliance with laws and regulations (other than environment and safety), compliance with the corporation's code of conduct and ethics, financial matters and risk management of financial risks as delegated by the board. The audit and finance committee makes recommendations to the board respecting the above matters.

Human Resources and Compensation Committee: The human resources and compensation committee makes recommendations to the board respecting board and senior management compensation and contractual arrangements, succession planning and the human resources policies for the corporation. It reviews executive compensation disclosure before this information is publicly disclosed. It is responsible for pension plan governance, including oversight of the management of the corporation's pension plans.

Nominating, Corporate Governance and Risk Committee: The nominating, corporate governance and risk committee makes recommendations to the board for the nomination of directors and committee members and assesses the effectiveness of the board of directors and its committees. It has responsibility for evaluating and advising the board

on the corporation's approach to corporate governance and oversight for risk management.

Reserves Oversight Committee: The role of the reserves oversight committee is to oversee the estimation of reserves and resources by management and review and recommend to the board reserve and resource information before publication.

Safety, Health and Environment Committee: The safety, health and environment committee makes recommendations to the board respecting the corporation's safety, health and environment policies and management systems. The committee also monitors the safety, health and environmental performance of the corporation, and reviews the sustainable development reports.

33. *Audit and Finance Committee and Human Resources and Compensation Committee Independence*

In addition to satisfying the board independence criteria, directors who are members of the audit and finance committee and the human resources and compensation committee must meet additional criteria to be considered independent for the purpose of membership on either committee. The additional criteria for each committee is set out in the "Definition of Independent Director and Related Definitions" that is available on our website.

34. *Outside Communication with Audit and Finance Committee and Human Resources and Compensation Committee*

Interested parties may contact the audit and finance committee chair or the human resources and compensation committee chair by mailing (by regular mail or other means of delivery) to the corporate head office at 2121 11th St. W., Saskatoon, SK S7M 1J3, Canada, a sealed envelope marked "Private and Strictly Confidential – Attention: Chair of the Audit and Finance Committee of Cameco Corporation," or "Private and Strictly Confidential – Attention: Chair of the Human Resources and Compensation Committee of Cameco Corporation." Any such envelope shall be delivered unopened to the committee chair.

35. *Audit and Finance Committee Financial Experts*

Each audit and finance committee member shall be financially literate with at least one member having accounting or related financial expertise, where: "financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can be reasonably expected to be raised by the corporation's financial statements; and "accounting or related financial expertise" means the ability to analyze and interpret a full set of financial statements, including the notes attached thereto, in accordance with International Financial Reporting Standards. In addition, where possible, at least one member of the committee shall also qualify as an "audit committee financial expert" within the meaning of applicable securities law.

36. *Service on Audit Committees of Other Public Companies*

Members of the audit and finance committee are not to serve on the audit committees of more than two additional public companies, without the approval of the board.

Board and Committee Meeting Procedures

37. *In Camera Sessions of Non-management Directors*

The directors are to hold an in camera session separate from management at all board and committee meetings. The chairs of the board and committees shall inform management of the substance of these meetings to the extent that action is required.

38. *In Camera Sessions of Independent Directors*

The “independent directors” (as defined in our “Definition of Independent Director and Related Definitions”) are to meet separately from non-independent directors and management at least once a year.

39. *Calling Meetings*

Board meetings will be scheduled in advance at appropriate intervals throughout the year. In addition to regularly scheduled board meetings, additional board meetings will be called upon proper notice at any time to address specific needs of the corporation. The board may also take action from time to time by unanimous written consent. A board meeting may be called by the chair, the chief executive officer or any two directors.

In the case of the audit and finance committee, a meeting may also be called by external auditors, internal auditor or chief financial officer. In the case of all other committees, a meeting of any committee may be called by the chair, chief executive officer, committee chair or any other committee member. Each committee will meet as often as it determines is necessary to fulfill its responsibilities.

Board meetings will be held at a location determined by the chair and meetings of each committee are held at a location determined by the committee chair.

40. *Board Materials Distributed in Advance*

The board is to receive regular monthly reports on the financial results and activities of the corporation. Under normal circumstances, the agenda and pertinent information are to be distributed to directors at least seven days before each board or committee meeting.

Governance Documents Referenced in the Governance Guidelines

- Board Diversity Policy (section 2)
- Definition of Independent Director and Related Definitions (section 6)
- Director and Executive Share Ownership Guidelines (section 11)
- Position Description for the Chair (section 15)

- Board Education Program (section 18)
- Position Description for the CEO (section 26)
- Executive Incentive Compensation Recoupment Policy (section 29)