



PRESS RELEASE

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SITA UK, SUBSIDIARY OF SUEZ ENVIRONNEMENT, SIGNS 30-YEAR CONTRACT WITH MERSEYSIDE WASTE DISPOSAL AUTHORITY

SITA UK and its consortium partners have signed a 30-year PPP contract with the Merseyside Waste Disposal Authority (MWDA) to convert household waste into energy.

SITA UK, a recycling and resource management subsidiary of SUEZ ENVIRONNEMENT, along with its consortium partners Sembcorp Utilities UK and the ITOCHU Corporation, was announced as preferred bidder for the contract in April 2013. SITA Sembcorp UK¹ will finance, build and operate a new infrastructure to manage over 430,000 tonnes of household residual waste each year, by turning it into enough electrical energy to power the equivalent of around 63,000 homes.

Over its duration, the contract is worth approximately €1.4 billion in municipal revenue and just over €2 billion in total revenue - which includes the management of third party waste and the sale of electricity to the National Grid.

SITA Sembcorp UK will spend over €295 million on new infrastructure to service the contract, which includes a new rail-linked transfer station in Knowsley and a new energy-from-waste facility in Teesside. The new infrastructure is expected to create 75 permanent jobs, and hundreds of people will be employed during construction.

Diverting 92% of waste from landfill

The contract will provide services and facilities to the Merseyside and Halton Waste Partnership which consists of the metropolitan boroughs of the MWDA, representing over 600,000 households and a population of approximately 1.5 million.

Residual waste will be collected and taken to a new rail-linked waste transfer station at Knowsley – which has the capacity to handle up to half a million tonnes a year. This waste material will then be transferred by rail to a new 49 megawatt energy-from-waste facility at the Wilton International industrial estate at Teesside, where it will be converted into electricity and fed into the National Grid.

Subject to local site demand, the energy-from-waste facility will also be able to provide heat to local businesses, with the capacity to deliver 190 tonnes of steam an hour to neighbouring industrial businesses via a district heating system.

This solution will enable the Merseyside and Halton Waste Partnership to divert more than 92% of its residual waste from landfill, while also generating the equivalent electricity to power thousands of homes. It will also result in CO₂ reduction of approximately 130,000 tonnes a year – compared with landfill disposal and, by using rail haulage, will effectively remove the equivalent of 21,000 HGV journeys per year off the roads.

¹ SITA Sembcorp UK is the SPV for the consortium of SITA UK, Sembcorp Utilities UK and I-Environment Investments Ltd, a subsidiary of ITOCHU Corporation.

Jean-Louis Chaussade, CEO of SUEZ ENVIRONNEMENT, said:

"SITA UK has developed a strong track-record of agreeing contractual terms quickly and I'm very pleased that we have been able to maintain this record with the Merseyside Waste Disposal Authority."

This new contract fits well with SUEZ ENVIRONNEMENT's policy to develop new waste recovery facilities and divert waste material from landfill."

David Palmer-Jones, Chief Executive Office of SITA UK said:

"The signing of this contract is great news for Merseyside and for the environment, because it means we will now be able to begin building the necessary infrastructure to put this waste material to good use – rather than sending it to landfill.

Agreeing this contract is also great news for local employment near our sites, because we expect to create around 75 permanent jobs and employ hundreds more during the construction process."

Cllr Graham Morgan, Chairperson of Merseyside Waste Disposal Authority said: "Signing this contract today puts in place a sustainable waste management solution for the next 30 years. The solution we have selected for Merseyside and Halton is the best for the environment - saving natural resources, generating green electricity and providing value for money for Merseyside and Halton Council Tax payers."

Carl Beer, Chief Executive of Merseyside Waste Disposal Authority said: "We are looking forward to working in partnership with SITA UK and other partners to develop modern and efficient facilities that apply the highest environmental standards in tackling the region's waste issues. Appointing the right contractors, with the right level of expertise, has been a critical part of that process."

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SITA UK

SITA UK, a subsidiary of SUEZ ENVIRONNEMENT, is a recycling and resource management company, which serves over 12 million people and handles 8.5 million tonnes of domestic, commercial and industrial waste each year. SITA UK provides services for over 42,000 public and private sector customers and operates a network of facilities including: recycling, composting, refuse-derived fuel production, solid recovered fuel production, wood processing, energy-from-waste and landfill. SITA UK employs over 5,500 staff and has an annual turnover in excess of £780 million. SITA UK's purpose is to protect the environment by putting waste to good use.

SUEZ ENVIRONNEMENT

Natural resources are not infinite. Each day, SUEZ ENVIRONNEMENT (Paris: SEV, Brussels: SEVB) and its subsidiaries deal with the challenge of protecting resources by providing innovative solutions to industry and to millions of people. SUEZ ENVIRONNEMENT supplies drinking water to 96.6 million people, provides wastewater treatment services for 66.3 million people and collects the waste produced by 50 million people. SUEZ ENVIRONNEMENT has 79,550 employees and, with its presence on five continents, is a world leader exclusively dedicated to water and waste management services. In 2012, SUEZ ENVIRONNEMENT, a subsidiary in which GDF SUEZ has a 35.7% interest, generated revenues of EUR 15.1 billion.

SEMBCORP Utilities UK

Sembcorp UK (www.sembcorp.co.uk) is an industrial utilities and services supplier based on the Wilton International site on Teesside. Part of the leading energy, water and marine group Sembcorp Industries, the company employs around 380 people on Teesside and has customers in the chemical, petrochemical, biofuels and energy sectors. Sembcorp has invested more than £150 million in its facilities since purchasing the business in 2003. Wilton 11 will be Sembcorp's second renewable energy power station on the site following the £64 million investment in the Sembcorp Biomass Power Station ("Wilton 10") in 2007.

SEMBCORP INDUSTRIES

Sembcorp Industries is a leading energy, water and marine group operating across six continents worldwide. With facilities of over 5,900 megawatts of gross power capacity and over eight million cubic metres of water per day in operation and under development, Sembcorp is a trusted provider of essential energy and water solutions to both industrial and municipal customers. It is also a world leader in marine and offshore engineering as well as an established brand name in urban development. The Group has total assets of over S\$13 billion and employs over 9,000 employees. Listed on the main board of the Singapore Exchange, it is a component stock of the Straits Times Index and several MSCI and FTSE indices.

Merseyside Recycling & Waste Authority (Merseyside Waste Disposal Authority)

The Merseyside Recycling & Waste Authority is responsible for the disposal of municipal waste on Merseyside. Established in 1986 following the abolition of Merseyside County Council, it is a statutory Authority that works with all the local authorities on Merseyside – Knowsley, Liverpool, Sefton, St Helens and Wirral. MRWA takes a lead in advocating recycling, waste minimisation and safe and effective disposal of waste for Merseyside's residents. www.merseysidewda.gov.uk

MRWA is a key partner in the Merseyside and Halton Waste Partnership which was established in 2005. All members of the MHWP have responsibilities for tackling the effective delivery of sustainable municipal waste management in Merseyside. www.recycleformerseysideandhalton.com

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