



Press Release

## **SUEZ and Derun Environment Join Hands to Develop China Environmental Market**

**(May 19/2016, Chongqing)** On the opening day of the 19<sup>th</sup> China Chongqing International Investment and Global Sourcing Fair, SUEZ Group (hereinafter SUEZ) and its shareholding enterprise, Chongqing Derun Environment Co.,Ltd (hereinafter Derun Environment) have inked a *strategic cooperation framework agreement, a new JV foundation agreement and a Memorandum of Understanding (hereinafter MOU)* on “China Sponge City Projects” with various renowned Chinese enterprises and research institutes. The two agreements and the MOU respectively involve the development of industrial water, soil and renewable resource , environmental remediation, environmental protection technical research and sponge city project development.

### **Promoting cooperation of renewable resource industry in Chongqing and China**

SUEZ, Chongqing Water Asset Management Co.,Ltd and Chongqing General Supply and Marketing Cooperative signed a strategic framework agreement about the development in renewable resource field. According to the agreement, the three parties will take full advantage of Dazu Circular Economy Industrial Park invested by Chongqing Renewable Resources Group Co., Ltd. and Derun Environment’s strong capital strength and technical advantages to promoting three parties’ collaboration in renewable resource area. In addition, by tapping on reference to European related experience and successful cases on renewable resource, the three parties aim to establish a system that nurtures trade market as well as operation of renewable resource recycling, which ultimately help develop the industry locally in Chongqing and nationally across China. Moving forward in phases, the collaboration will firstly focus on recycling, dismantling, processing and reuse of scrap cars and abandoned computer laptops, then extending to other recyclable resources such as plastics at a later stage.

### **Founding Zhongyu (Chongqing) Environmental Protection Industrial Development Co., Ltd.**

Derun Environment, Chongqing Chemical & Pharmaceutical Holding (Group) Company and ZhongHuan GuoTou (Beijing) Environmental Protection Technology Co., Ltd. agreed to form a joint venture named Zhongyu (Chongqing) Environmental Protection Industrial Development Co., Ltd.(hereinafter Zhongyu Environmental) and the three parties respectively holds 35%, 40% and 25% share of the JV. According to the agreement, Zhongyu Environmental’s registered capital reaches 100 million RMB and its main business line covers industrial water drainage projects investment,



design, construction and operation management (including wastewater treatment, recycling water, desalinated water, reclaimed water reuse, purified water etc.) ; municipal waste, industrial solid waste and hazardous waste treatment and recycling facilities' investment, design, construction and operation management ; production and sale of environmental equipment ; engineering design and technical consulting service for industrial water drainage projects ; environmental protection technology R&D and remediation service (including environmental risk assessment, treatment of polluted soil, monitoring of pollution sources etc).

### **Establishing Sinfo-French Sponge City Cooperation Platform (HIT-SUEZ-DERUN Environment)**

SUEZ, Harbin Institute of Technology Urban Planning & Design Institute (hereinafter HIT) and Derun Environment signed a MOU about 'China Sponge City Projects' and all parties decided to jointly form 'Sinfo-French Sponge City Cooperation Platform (HIT-SUEZ-DERUN Environment)'. By sharing each other's resources, expertise and experiences, the three parties are dedicated to developing integrated, innovative and sustainable engineering designs and planning solutions for the China Sponge City Project and they are also committed to providing sustainable technologies, project implementation, operation and investment solutions to China Sponge City Project.

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### **SUEZ**

*We are at the dawn of the resource revolution. Faced with an increasing world population, growing urban development and rarefied resources, the security, optimization and recovery of resources are indispensable to our future. SUEZ (Paris: SEV, Brussels: SEVB) supplies 92 million people with drinking water and 65 million with sanitation services, collects waste from almost 50 million people, recovers 14 million tonnes of waste per year and generates 5,138 GWh of renewable energy. Employing 80,990 people, SUEZ is active on five continents and a key player in the circular economy for sustainable resource management. SUEZ generated total revenues of €15.1 billion in 2015. SUEZ has been active in China for 40 years. Through its subsidiaries of Sino-French Water, Recycling & Recovery and Industrial Solutions, SUEZ has been unremittingly providing professional solutions to government bodies, industrial and commercial businesses and inhabitants in Great China.*

### **Chongqing Water Assets Management Co., Ltd.**

*Founded in 2007, Chongqing Water Assets Management Co., Ltd. is the fully state-owned enterprise funded*



by Chongqing State-owned Assets Administration Committee. In 2011, the company was awarded as the 'General Owner and Platform' of Chongqing water resource by Chongqing municipal government. In 2015, the company was made the pilot entity for state owned enterprises' reform in environmental industry. With its business focus in Chongqing but meanwhile seeking outside opportunities, the company is involved in developing the distribution and structure of state-owned capital in water, waste, environmental remediation, renewable resources and other businesses in environmental industry. Up to now, the company's assets reach 88.5 billion RMB and it owns the credit level of AAA Class. As its subsidiaries, Chongqing Water Group Co.,LTD is public listed in China's A share market, Chongqing Water Conservancy Investment Group Co.,LTD is the construction platform of the city's water conservancy facilities, Chongqing Sanfeng Environmental Industry Group Co., Ltd. is the leading player in the area of waste to energy incineration in China, Chongqing Derun Environment Co.,LTD is a comprehensive operator in urban environment and an integrator in environmental industry.

### **About Derun Environment**

On Jun. 30th, 2015 under the witness of Chinese Prime Minister Li KeQiang and French Prime Minister Manuel Valls, SUEZ and New World Services NWS signed through their 50/50 joint venture Suyu an agreement with Chongqing Water Assets to jointly create Derun Environment. This contract included several conditions what had to be fulfilled before full conclusion. All the necessary approvals have now been obtained. Upon its establishment, Derun Environment own 50.4% shareholdings of Chongqing Water Group (a listed company at Shanghai Stock Market), and become the controlling shareholder of Chongqing Sanfeng (a leading company specialized in waste to energy incineration in China), Derun Xing Bang (a company dedicated to soil remediation) and Derun Environmental Technology Company (a company engaged in the development of environmental industry parks). Its total assets will exceed 30 billion RMB. Derun Environment aims to be the biggest investment platform to tap into China's growing environmental-related businesses and a leading player in both water and waste industry in China and even the world.

### **Chongqing Chemical & Pharmaceutical Holding (Group) Company**

Founded in August 2000 and with its current total assets of 62.2 billion RMB, Chongqing Chemical & Pharmaceutical Holding (Group) Company is a wholly state owned enterprise and solely funded by Chongqing municipal government. The group's business involves in 18 production and sales area, which covers chemical, pharmaceutical and salt industry. As a result, the industrial chain and clustering pattern focusing on urea, melamine and iminodiacetonitrile products is formed. By the end of 2014, the group owns 214 environmental treatment devices and has fostered a professional team who are experienced both in technical and management area. In addition, the group has accumulated rich pollution treatment experience and devices operation experience in environmental treatment area.

### **About Harbin Institute of Technology (HIT)**

Harbin Institute of Technology (HIT) was founded in 1920. In 1954, the Ministry of Higher Education designated, for the first time, six national key universities. HIT was the only one of the six outside of Beijing. After nearly 100 years, HIT is consistently on the forefront in making innovations in research and now has 18 post-doctoral research stations, 18 national key disciplines, and 32 national & provincial (ministerial) key labs.



**Press Contact**

Chongqing Derun Environment Co.,LTD

Senior Investment Director

Jet CHANG

Tel : +86 185 1389 9977

Email : jet.chang@derun-env.com

SUEZ China

PR Manager

Jack WANG

Tel : +86 21 5331 1206

Email : jackwang@suez-env.com