



Press Release

ENOWA, ITOCHU and Veolia sign MoU to build new generation of desalination plant powered by 100% renewable energy in NEOM

- Partners will explore cooperation to build a state-of-the-art desalination plant powered by 100% renewable energy
- Located in OXAGON and aiming to produce its early water in 2024, the plant will use a high-recovery reverse osmosis process producing separate, highly concentrated, brine streams in addition to desalinated water
- The brine streams will be used as feedstock to produce valuable minerals and metals and achieve 100% Zero Liquid Discharge in downstream brine industries fully developed by ENOWA
- The MoU supports ENOWA's ambitions to develop a sustainable water system

NEOM, Kingdom of Saudi Arabia, June 16, 2022 – ENOWA, the energy, water, and hydrogen subsidiary of NEOM, signed a Memorandum of Understanding (MoU) with Japanese trading company, ITOCHU, and Veolia, a global leader in water, waste, and energy management solutions. As part of the MoU, the companies have agreed to collaborate to develop a first-of-its-kind selective desalination plant powered by 100% renewable energy in OXAGON, NEOM's advanced manufacturing and innovation city.

Set to produce its early-water in 2024, the new facility will be key to realizing ENOWA's ambitions to create a sustainable, abundant water supply for residential, industrial, and commercial use. Aligned with NEOM's commitment to developing a circular economy, the new state-of-the-art plant will use advanced membrane technology to produce separate brine streams. This enables ENOWA to produce brine-derived products, which will be developed and monetized downstream. Brine, which is usually considered a waste output of desalination, will be used to produce significant quantities of valuable industrial materials that can be used locally or exported internationally.

Commenting on the MoU, **Peter Terium, CEO of ENOWA**, said: "Partnering with global leaders in sustainable water solutions is key to NEOM's ambition to become a global benchmark for integrated sustainable water systems. At ENOWA, our vision is to create a sustainable abundance of life's most essential elements, all in harmony with nature. We will be producing, treating, and reusing water in one of the most water-stressed regions in the world, through sustainable, innovative and integrated solutions. This new desalination plant is one example of the type of sustainable infrastructure and circular economy we are developing to meet our zero-carbon footprint and zero-waste goals."

The new plant will meet the water needs of NEOM with a production capacity of 500,000m³ of desalinated water per day by project completion in 2025, approximately 30% of NEOM's forecasted total water demand. In line with NEOM's environmental goals, it will use advanced and innovative membrane separation technologies to produce water, as well as concentrated brine streams. This enables the brine to be classified as a product, rather than waste, therefore minimizing the plant's environmental impact and redefining the entire business model for desalination facilities of the future. Brine generated from the desalination plant will be treated by ENOWA to feed industries utilizing High Purity Industrial Salt, Bromine, Boron, Potassium, Gypsum, Magnesium and Rare Metal feedstocks.

Kenji Otsuka, CEO for Middle East Bloc of ITOCHU, added: "ITOCHU is honored and proud to collaborate with ENOWA and Veolia to develop this landmark desalination plant in NEOM which

advances the concept of Zero Liquid Discharge. With our global experience, ITOCHU will enhance our contribution to sustainable living in line with the Kingdom's and NEOM's goal of creating a decarbonized, recycling-oriented and innovative society."

Pascal Grante, CEO of Near and Middle-East, Veolia, said: "Veolia is delighted to partner with ENOWA and ITOCHU to support the development of NEOM. The project is aligned with the circular economy model that Veolia aims to deploy in all its projects worldwide."

This MoU supports ENOWA's ambition to develop advanced green desalination systems and create future water solutions to tackle global water scarcity. ENOWA's water team is changing the future of water supply through pioneering desalination systems and technologies. **Gavin Van Tonder, Executive Director of ENOWA Water Sector**, commented: "ENOWA aims to provide a blueprint for green, sustainable water production, management, and treatment, which can be scaled throughout the world. The technology developed as part of this MoU and used in NEOM to provide water could be exported to other countries to tackle global water scarcity."

Launched in March 2022, ENOWA is committed to transforming nature's abundance through design and technology by taking advantage of NEOM's clean slate approach and establishing energy, water and hydrogen production and regulation using circular systems and sustainable economic framework, realizing substantial return on investment with zero footprint.

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About ENOWA

ENOWA is a world-class energy, water, and hydrogen company founded in NEOM, Saudi Arabia. ENOWA produces and delivers clean and sustainable resources for industrial and commercial applications using a customer-centric smart and connected system designed to be circular and takes advantage of NEOM's optimal solar and wind energy profile. ENOWA benefits from NEOM's greenfield site, which has no legacy infrastructure, to advance Energy, Water, and Hydrogen innovation. ENOWA will act as a catalyst and incubator for developing new, sustainable energy and water businesses while creating a robust economic sector regionally. Through its commitment to renewable energy and efficient water management, ENOWA seeks to become a global reference for industry leaders and setting a benchmark for sustainable economic circular systems around the world.

For more information, please visit www.enowa.neom.com

About NEOM

NEOM is an accelerator of human progress and a vision of what a New Future might look like. It is a region in northwest Saudi Arabia on the Red Sea being built from the ground up as a living laboratory – a place where entrepreneurship will chart the course for this New Future. It will be a destination and a home for people who dream big and want to be part of building a new model for exceptional livability, creating thriving businesses and reinventing environmental conservation.

NEOM will include hyperconnected, cognitive towns and cities, ports and enterprise zones, research centers, sports and entertainment venues and tourist destinations. As a hub for innovation, entrepreneurs, business leaders and companies will come to research, incubate and commercialize new technologies and enterprises in ground-breaking ways. Residents of NEOM will embody an international ethos and embrace a culture of exploration, risk-taking and diversity - all supported by a progressive law compatible with international norms and conducive to economic growth.

For further information email media@neom.com or visit www.neom.com and www.neom.com/en-us/newsroom.

About ITOCHU

The history of ITOCHU Corporation dates to 1858 when the Company's founder Chubei Itoh commenced linen trading operations. Since then, ITOCHU has evolved and grown over 160 years. With approximately 100 bases in 62 countries, ITOCHU, one of the leading "sogo shosha", is engaging in domestic trading, import/export, and overseas trading of various products such as textile, machinery, metals, energy, chemicals, food, general products, realty, information and communications technology, and finance, as well as business investment in Japan and overseas.

ITOCHU considers investment in water resourcing as an urgent requirement in light of increasing water demand associated with worldwide population growth, economic development and global warming and is keen to promote projects that contribute to the effective use of water resources in the Middle East and other regions worldwide, as well as environmental, social and governance (ESG) investments.

<https://www.itochu.co.jp/en/index.html>

About VEOLIA

Veolia group aims to be the benchmark company for ecological transformation. With nearly 220,000 employees worldwide, the Group designs and provides game-changing solutions that are both useful and practical for water, waste and energy management. Through its three complementary business activities, Veolia helps to develop access to resources, preserve available resources, and replenish them. In 2021, the Veolia group provided 79 million inhabitants with drinking water and 61 million with sanitation, produced nearly 48 million megawatt hours and recovered 48 million tonnes of waste. Veolia Environnement (Paris Euronext: VIE) achieved consolidated revenue of 28,508 billion euros in 2021. www.veolia.com

Photo Caption:

From left to right: Robert Garner, Head of Water Supply, ENOWA. Kenji Otsuka, CEO Middle Eastern Bloc, ITOCHU. Peter Terium, CEO, ENOWA. Gavin Van Tonder, Executive Director, ENOWA. Pascal Grante, CEO Near & Middle East, Veolia

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