

Covanta Holding Corporation Signs Concession Agreement to Build New Energy-from-Waste Facility in Zhao County, China

MORRISTOWN, N.J., Dec. 11, 2019 /PRNewswire/ -- Covanta Holding Corporation (NYSE: CVA) ("Covanta" or the "Company"), a world leader in sustainable waste and energy solutions, today announced the signing of a concession agreement with Zhao County, China for the construction and operation of a new Energy-from-Waste ("EfW") facility. The facility will provide a sustainable waste solution to the county and nearby jurisdictions. The project is being developed jointly by Covanta and a strategic local partner.

"I am excited to announce our participation in the Zhao County EfW project and Covanta's return to the Chinese market," said Stephen Jones, Covanta's president and chief executive officer. "As a global leader in sustainable waste solutions, we look to leverage our capabilities in attractive markets that meet our investment criteria, and no market in the world offers a greater opportunity for EfW growth than China."

China has established very ambitious sustainable waste treatment and landfill avoidance goals. Its 13th Five-Year Plan calls for approximately 600,000 tonnes per day of EfW capacity by the end of 2020 – a doubling of the installed capacity as of the end of 2015. China's EfW capacity targets are supported by a preferential tariff on the purchase of electricity from EfW facilities and other beneficial regulations that prioritize development of EfW infrastructure. In light of these policies, over 200 new EfW facilities are expected to be built between 2020 and 2030.

"Zhao County is a well-developed project, offering attractive returns and providing a great opportunity to re-enter a market where we have a successful historical track record," continued Jones. "We expect to pursue additional projects in this robust and dynamic market that meet our target return and risk criteria, and Zhao County gives us a strong foundation to build on."

Additional Project Details

- Located in Zhao County, a subdistrict of the Hebei provincial capital city of Shijiazhuang, approximately 200 miles south of Beijing
- 30-year concession agreement guarantees waste supply under a build-own-operate-transfer structure
- 1,200 tonnes per day waste processing capacity with potential for expansion
- Facility construction to be project financed, with total capital cost of approximately \$100 million USD-equivalent
- Covanta will be a project equity partner and will provide construction oversight services
- Engineering, Procurement & Construction to be performed by a leading Chinese multinational construction contractor
- Construction is expected to begin in early 2020 with completion in less than two years

About Covanta

Covanta is a world leader in providing sustainable waste and energy solutions. Annually, Covanta's modern Energy-from-Waste facilities safely convert approximately 21 million tons of waste from municipalities and businesses into clean, renewable electricity to power one million homes and recycle over 600,000 tons of metal. Through a vast network of treatment and recycling facilities, Covanta also provides comprehensive industrial material management services to companies seeking solutions to some of today's most complex environmental challenges. For more information, visit covanta.com.

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this press release may constitute "forward-looking" statements as defined in Section 27A of the Securities Act of 1933 (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"), the Private Securities Litigation Reform Act of 1995 (the "PSLRA") or in releases made by the Securities and Exchange Commission ("SEC"), all as may be amended from time to time. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Covanta Holding Corporation, its subsidiaries and joint ventures or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements that are not historical facts are forward-looking statements. For additional information see the Cautionary Note Regarding Forward-Looking Statements in the Company's 10-K, previously filed with the SEC.

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