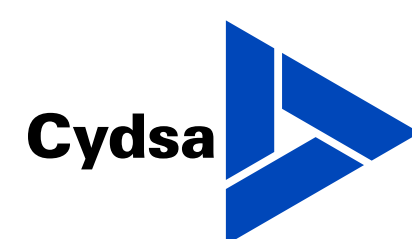


# THE USE OF TREATED WASTEWATER,

## A TRADITION WITHIN OUR OPERATION IN THE STATE OF NUEVO LEÓN



CYDSA is a Mexican company, listed on the Mexican Stock Exchange. It was created in 1945 when its founder, Andrés G. Sada García, and a group of Mexican investors began construction on a farm in Monterrey, Nuevo León of an industrial plant for Rayon Fiber (“Artificial Silk”) for the manufacturing of products with textile and tire cord applications, which began operations in 1947.

Currently, the CYDSA plants that operate in the Northeast of Mexico, use 100% treated wastewater for their processes, provided by Agua y Drenaje de

Monterrey, allowing their work centers to operate without impacting the supply of drinking water for the community.

Back in 1947-1956, the water for processing at the CYDSA plants was originally obtained from deep wells and the production of steam through the use of boilers running on fuel oil. The plants were located in a desert-like geographical area, which at that time was on the outskirts of the metropolitan area of the city of Monterrey.



Given the social priority of drinking water for the needs of the population, CYDSA decided to stop the extraction of water from wells and look for alternatives for its industrial plants and since 1956, it has been a pioneer in the use of the city’s drainage water to convert it into industrial water for production and cooling processes, and irrigation of gardens; thus substituting the use of drinking water.

Currently, the CYDSA plants that operate in the Northeast of Mexico, use 100% treated wastewater for their processes, provided by Agua y Drenaje de Monterrey. There are also short-term plans to do the same in its operations in the State of Mexico.

This strategic action allows the plants to continuously operate sustainably without affecting the availability of drinking water for the population. It also frees up the equivalent of enough drinking water for the domestic use of 20,000 families in the Metropolitan Area of Monterrey.

The First Electric Cogeneration Plant in Latin America, co-owned by CYDSA and its subsidiaries, began operations in Monterrey, Nuevo Leon in 1956. This project was motivated by the drought of 1954 in the Monterrey region and, given the social priority of the use of water and electric power for the needs of the population, CYDSA decided to look for alternative sources for its industrial plants.

Using the city of Monterrey’s wastewater as raw material, and, along with other companies as well as federal, state, and municipal authorities, CYDSA incorporated the concept of Cogeneration to generate electricity for the operation of its 4 industrial plants.



### CURRENTLY, THE CO-OWNED COGENERATION PLANT CAN:

Treat **150 liters/second** of wastewater



Generate **8 MW** of Electricity:



- **3 Westinghouse machines** to start (1955- “SG”)
- **5 ABB machines subsequently** (1968- “BB”)

Thanks to their experience in generating thermal and electric energy from wastewater during the 1950s, in 1991, CYDSA created an Environmental Improvement Division to share its capabilities and contribute to the sustainable development of social sectors in Mexico.

The experiences of facing a drought have led us to raise awareness in the new millennium within our company and to try to make society aware of the importance of working together and caring for the environment.

**CYDSA currently has a total of 1,950 direct employees and continues to promote its commitment to sustainability both inside and outside the company.**