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Press Release

September 23th, 2020

Obuse town

Goolight Co., Ltd.

Shizen Energy Inc.

## Shizen Energy, Goolight, and the Town of Obuse Conclude Comprehensive Partnership Agreement for Next-Generation Infrastructure - Building eco-friendly, disaster-resistant next-generation infrastructure -

Shizen Energy Inc. ("Shizen Energy") has concluded a comprehensive partnership agreement with the town of Obuse in Japan's Nagao Prefecture and Goolight Co., Ltd. ("Goolight") for the creation of next-generation infrastructure. SIGMAXYZ Inc. is also a part of the agreement.

### **[Background Behind the Agreement]**

The town of Obuse gained recognition throughout Japan as an advanced urban development zone during the first stage of its public and private sector collaborative urban development projects starting in the 1970s. These projects included construction of the Hokusai Museum, and the Landscape Restoration Project.

The second stage began in the 2000s, involving many types of entities including local and non-local businesses, universities and other research institutions, and young people with a passion for urban development. Together with the townspeople of Obuse they pushed forward with this second stage of urban development in the name of collaboration and interaction.

In recent years, the area has seen increasing problems with a falling birthrate and aging population, natural disasters, and reinvestment in infrastructure. To address these problems, the time period starting in the 2020s has been designated as the third stage of urban development, and new concepts in urban planning are being explored with the assumption that the population will decline.

In its Sixth Comprehensive Plan announced in January 2020, the town of Obuse declared that it is seeking natural disaster-resistant urban development, transformation into an environmentally advanced city, and research and practical application for new age urban infrastructure design. The town also established the Comprehensive Policy Promotion Office in

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April 2020 as the bureau in charge of devising and implementing specific measures for these objectives.

Accordingly, the town of Obuse has concluded a comprehensive partnership agreement for the creation of next-generation infrastructure with three private companies that possess the technologies and knowledge to make it possible. The aim is to incorporate their knowledge into initiatives for projects in the fields of the environment, disaster preparedness, and infrastructure, while devising strategies that transect these fields.

### **[Overview of comprehensive partnership agreement]**

#### ■ Date concluded

September 23, 2020

#### ■ Purpose

- ・ To partner with private sector companies that possess knowledge and technology in fields such as electric power, waterworks, and telecom, and to work out achievable action plans using the targets in the comprehensive plan.
- ・ Rather than engaging in separate considerations for each different field, achieve a proper distribution of maintenance costs and maximize synergy effects between the initiatives by working in comprehensive partnership spanning multiple fields such as electric power, waterworks, and telecom.
- ・

#### ■ Agreement details

- ・ Investigate eco-friendly next-generation autonomous distributed infrastructure in the fields of electric power, waterworks, and telecom.
  - ・ Conduct demo tests for charging electric vehicles with solar power from solar panels at town-owned facilities
  - ・ Establish regional broadband wireless access (regional BWA) as a foundation to enable digital initiatives, conduct demo tests using local 5G
  - ・ Design waterworks infrastructure that does not easily break down when disasters occur, etc.

### **[Messages from Obuse town and representatives of each company]**

#### ■ Ryoza Ichimura, Mayor, Obuse town

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In Obuse, we designated the environment, disaster preparedness, and infrastructure as new objectives in the basic plan for our Sixth Comprehensive Plan that we embarked on this fiscal year. When Typhoon Hagibis struck last year it seemed like we had significant problems securing lifelines in times of disaster. At the same time, it was a wake-up call that we need to take responsible action to counteract climate change which will likely be causing more frequent disasters. Also, while our population is declining, much of the public infrastructure in our town has reached the point that it needs to be updated soon. As such, the time is now for us to figure out how to establish public infrastructure that is sustainable.

Together with these three companies who have already been working with us in Obuse for urban development in fields such as waterworks, electric power, and telecom, I am very pleased to be able to begin working toward advanced eco-friendly disaster-resistant urban infrastructure of the future. I am very hopeful that we can generate new ideas about future-oriented urban development and turn those ideas into practical applications through this partnership agreement.

■ Yasuteru Maruyama, President, Goolight Co., Ltd.

Goolight is working in partnership with all types of companies, utilizing the optimal advanced technologies in both wired and wireless to create new business models during this second fiscal year of our medium-term management plan *Challenge2027*. In doing so, we are promoting the growth of sustainable economies and societies, while also solving problems in communities.

For our partnership with Obuse we will be an active force in the town's urban development and help to build future-minded communities with state-of-the-art local 5G as the backbone for next-generation wireless telecom infrastructure. This includes setting up regional BWA wireless telecom infrastructure in all areas throughout Obuse.

■ Ken Isono, Representative Director, Shizen Energy Inc.

With our purpose to “take action for the blue planet,” we are working to offer and create new lifestyles that are centered on renewable power. Starting with the Obuse Energy Meeting in 2012, we have been building energy-related connections with communities, including local power producer and supplier (PPS) Nagano Denryoku which we established jointly with Obuse town and Goolight.

Seeing this comprehensive partnership agreement as our next great opportunity, we will be contributing to the urban development of Obuse town from the macro perspective of building self-sufficient regional infrastructure. In addition to contributing our knowledge in the field of energy we will be working closely with people in the community as well as professionals in various key infrastructure fields such as waterworks and telecom in order to co-create next-generation infrastructure.

■ Shunichi Shibnuma, Managing Director, SIGMAXYZ Inc.

Our company goes beyond the boundaries of conventional consulting to build social multi-side platforms, connecting empathizers and supporters from inside and outside companies to form ecosystems in the pursuit of “well-being” and solutions to social problems.

In this case we supported Obuse in its aim to build advanced eco-friendly disaster-resistant urban infrastructure and decided to join the project. Utilizing our pool of knowledge and our network as a business consulting company, we will devotedly work together with Obuse and the other partners to create new recycling-oriented eco-friendly social infrastructure that takes the declining population into consideration.